SENATE—*Friday, July 15, 1983*

(Legislative day of Monday, July 11, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Dear God, help the Senate to comprehend its potential: One hundred intelligent, reasonable, thoughtful, strong gentle people, each rich in credentials. Individually each is a rational person but somehow in the chemistry of the body very irrational things happen, its benign chemicals, which when mixed, cause an explosion; or explosive chemicals, when mixed, neutralize each other.

One hundred well-qualified people, a symphony orchestra capable of producing a symphony but sounding much of the time like they are tuning up for a concert.

Help them, Lord, to find their harmony, so together they can make beautiful music to bless the Nation and the world. In the name of One whose mission was to unite all peoples. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE MAJORITY LEADER COMMENTS ON THE CHAPLAIN'S PRAYER

Mr. BAKER. Mr. President, I must say to our distinguished and illustrious Chaplain that as far as this Member of the orchestra is concerned, there are many days, including this one, when I would settle not only for beautiful music but for any music at all. I would also observe for the benefit of the Chaplain, if we run completely out of music we can always call on the minority leader and his expert fiddling in the field of blue grass music.

Mr. President, that is probably the last kind word I will have to say all day long.

SENATE SCHEDULE

OMNIBUS DEFENSE AUTHORIZATIONS, 1984

Mr. BAKER. Mr. President, getting down to the unhappy prospects, as I indicated on Monday of this week we are going to try to finish this bill this week. I do not know whether we can do it or not. I have begun to doubt it. We certainly did not finish it last night. I would like to finish it today. But if we do not we will continue.

There is an order for the Senate to be in session on Saturday. The Senate will be in session on Saturday. I was asked by the press earlier how long on Saturday, and my answer to them was until about 5 o'clock or as long as we can do useful work.

There will be votes on Saturday, Mr. President. I fully expect to have a quorum here on Saturday, so no one should assume the Senate will meet and adjourn for lack of a quorum. I feel confident that we will have a quorum even if it has to be a quorum just on this side of the aisle, in which case the movement of this bill might be expedited considerably.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I will yield.

Mr. BYRD. Even though the quorum is just on that side of the aisle I will be here.

Mr. BAKER. Oh, I am pleased, Mr. President. I will add that to my whip check.

Mr. BYRD. And I would say that if it is just myself who would be here on my side the bill would not pass tomorrow.

Mr. BAKER. Mr. President, I hope the Senator will not say that because it is so early in the day, and my hopes continue to flicker. I had hoped we would finish the bill today. But for the Senator to say that we will not finish it on Saturday is a great disillusionment.

Mr. BYRD. I did not say that; I did not say that.

Mr. BAKER. I misunderstood the Senator.

Mr. BYRD. I said I would be here, and if the quorum is on that side and just I stand alone on my side here, the bill will not pass. I will have to protect my side. I am going to vote for the bill.

Mr. BAKER. I am happy to hear that as well.

Mr. BYRD. And I am for the MX.

Mr. BAKER. And so am I. Why not just pass it right now?

Mr. BYRD. I am afraid we cannot because, as I say, I have to protect my side.

Mr. BAKER. I am afraid we cannot either.

Mr. BYRD. The Senator did a good job when he was minority leader.

Mr. BAKER. Yes.

Mr. BYRD. A lot of what we are saying is in jest. I merely want the Senator to know that I will be around.

Mr. BAKER. I will, too, and we will have votes on Saturday.

Let me say, by the way, I am absolutely serious about this, that I have no intention of asking Senators to cancel their engagements, which I have done, and to be here on Saturday and then have an idle day. There will be votes, and and I hope they will be worthwhile and meaningful votes on the bill. If they are not, and we run out of being able to continue with the consideration of this bill, then I intended to go to something else, and take up that matter fully.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. Yes, I yield.

Mr. BYRD. As to the matter of going to something else, the Senator will always counsel with the minority leader.

I do not want it to be misunderstood in relation to what I said a moment ago. It simply was in half jest and half meaningfully, that if a quorum is on that side, I would have to do whatever is possible and necessary on our side to protect the interests of those who want to debate. Even though I might disagree with their position, I would do everything I could to protect them. This does not mean that I intend to engage in any filibuster, or that I even support the positions of those who oppose the MX.

Mr. BAKER. Yes.

Mr. BYRD. But in all seriousness, the majority leader does have the responsibility of keeping the Senate moving and to get this piece of legislation passed.

I must say in the finest spirit of friendship, and I am sure the majority leader has problems that we all do not fathom, but he and I see this through different eyes, different from those of the other Members as they may see it, but he has an obligation to do what he thinks he has to do. To call the Senate in on a Saturday just as an empty gesture is not his style nor would it be advisable.

I certainly will cooperate, as I have always cooperated. I do feel I have to protect some of those on my side with whom I may differ on this measure. I must say that I personally do not understand why this particular bill has to be passed Saturday, and that is not to quarrel with the majority leader. When I was majority leader I am sure

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the minority leader probably felt at times there was no necessity for a Saturday session when I called one. But I do not quarrel with the majority leader. There are some, I think, who perhaps, on both sides of the aisle, will feel there is no absolute necessity for this bill to pass Saturday. I hope we can make progress today.

It does not make any difference to me personally whether we have a Saturday session or not. But I will certainly cooperate with the leader as much as I can. He did a good job of protecting his members when he was minority leader and that was the meaning of what I said earlier.

Let me add a postscript to that. The majority leader has been at all times most understanding and considerate of the minority. So I want to debunk any idea that there is a filibuster going on or that Democrats are engaging in a filibuster. There may be a handful, or a little more, made up of people on both sides, who want to extend the debate and air it and surface it and ventilate it, but I do not think there is any filibuster going on.

Now the majority leader has his reasons for calling a Saturday session and that is his business and I do not—as one who has called Saturday sessions myself on a few occasions—I could not find any fault with the majority leader for doing so.

Mr. BAKER. Mr. President, I understand that. We do see the Senate through very special eyes, both of us having served now as majority leader and minority leader. There is a heavy set of responsibilities that falls on the leadership on both sides of the aisles, but most especially on the majority leader, whether he is a Republican or Democrat, to see that the affairs of the Senate are so organized that it addresses and discharges its duties and obligations.

I will not belabor the point except to say, as I said on Monday of this week when we convened, that we have precious little time between now and August 5 to do a great deal of work. I gave to the minority leader a list of items that I feel are essential before we go out. They include the Department of Defense authorization bill. Last year we spent 8 days, I am told, debating this measure. So far this will be the fifth day.

In addtion to the Department of Defense authorization bill, we have Radio Marti, we have agriculture target pricing, we have revenue sharing reauthorization, we have the Outer Continental Shelf, and we have a number of other measures that simply must be dealth with.

We also have the foreign operations authorization. The chairman of the Foreign Relations Committee urges that we take that up. And I intend to try to add that to the list after I talk to the minority leader.

Mr. President, in addition to all of those things, of course, we still have five appropriations bills that are here and available or will be available during the course of this month. So time is precious.

Now, I have never favored irregular working hours and late sessions, and I have never favored Saturday sessions. I have tried to regularize—indeed, tried to civilize—the work patterns of the Senate. From time to time, I have apologized to the families of Members because I am intruding on their private time and I am drawing unduly perhaps on the energy of Members to the detriment of their families. But it has to be done. We have to discharge our obligations and responsibilities.

So we will be in on Saturday in order to make sure that we can do all the things that we are required to do, in my view, between now and August 5, and we will have votes on Saturday.

Now the minority leader is absolutely correct when he observes that he feels that I would notify him if we are going to go to anything else on Saturday. All I mean is that, as I have said before, I am not going to ask the Senate to come in on Saturday and then do nothing.

So I urge Senators to be here on Saturday and to offer amendments to this bill. But if they do not, there are a number of items on the calendar, both the Calendar of General Orders and the Executive Calendar, that could be dealt with and Senators should be on notice of that possibility.

Mr. HART. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. HART. Mr. President, I wonder why it is that the Senate—which has a reputation of being the world's greatest deliberative body, well deserved or not—considers that productive work be measured in terms of votes. Is it not possible that, on the issue of national security of the United States and defense of the United States, a very productive debate—a debate—might not occur on Saturday, not particularly quantifiable or measurable in the number of votes? Could it be that Senators might exchange views on issues, for once?

Mr. BAKER. Mr. President, I am sure the Senator will adopt an attitude and tone of voice that is accusative and suggest that someone is trying to punish him or someone else, but surely the Senator from Colorado will agree with me that in the fifth day of debate, when no cloture petition has been filed and no one has put undue pressure on him or anyone else to curtail debate or to force him to offer amendments, that no one is taking advantage of him.

All I am saying is that I have 49 Members on this side of the aisle who have indicated that they are going to be here—I believe there will be 51—and, almost without exception, they have canceled plans at my request. If we are going to do that, we are going to have a meaningful session, and that will include rollcall votes.

Mr. HART. Will the Senator yield?

Mr. BYRD. Will the majority leader yield to me?

Mr. BAKER. Let me yield to the minority leader.

Mr. BYRD. Mr. President, I think the majority leader has made it sufficiently clear as to his intention to have a Saturday session and have votes. I think it ought to just rest at that.

I would ask the majority leader, if he does intend to go to other matters, that he alert the Senate as to what other matters he is considering, because we would certainly want the managers on our side of such measures to be here.

Mr. BAKER. Mr. President, the Senator knows I would not do that without letting him know, and I have not made that decision yet. I continue to hope for a good day's work on the defense authorization bill. But I will certainly let the Senator know when I make that decision. If I do make that decision, I will advise him of what I will attempt to do in advance.

Mr. BYRD. If the majority leader could do that as early as possible so that I, in turn, could alert our managers.

Mr. BAKER. The Senator will not be taken by surprise.

Mr. HART. Will the majority leader yield further?

First of all, I did not intend to adopt any particular tone of voice. I was asking a very serious question.

I just hope—and I am sure, given his background and record, that the majority leader would agree—that it is possible for the Senate to seriously discuss serious issues without measuring the seriousness of that proceeding by how many votes we have. That is the only point I wished to make.

The majority leader, in his genuine and well-understood obligation to move legislation, wants the session on Saturday to be productive. I am just trying to suggest as straightforwardly as I can that there can, in fact, be productive debate in the Senate—although we do not have them very often, I think we all agree—on the national security and defense and arms control and strategic systems that might not produce a whole lot of votes that people can then go home and say "I voted eight times." That is all.

I wonder, further, if I might just ask either the majority leader or the distinguished Senator from Texas how many amendments they are aware of that are pending that are not related to the MX.

Mr. BAKER. Mr. President, before I yield the floor or yield so the Senator

from Texas may answer, let me put one thing in perspective and then—and the minority leader is right—I will stop this and get on with the business at hand, which I hope will be the Department of Transportation bill.

Of course you can have a fulfilling day and a worthwhile day of general debate without votes. But let me invite the Senator from Colorado to view that possibility against the background of 5 days of effort on this measure and against the background of any number of Senators on his side of the aisle who have come to me and said, "There is not going to be any session on Saturday because you won't have a quorum." Well, we will have.

Or any number of Senators—a number, more than one—on your side of the aisle who have said:

You're not going to be able to do anything on Saturday because no amendments are going to be offered. We are just going to debate it. We are not going to let you do that.

Now, think of it in that context and then try to understand, as I am sure the Senator will, when I say that we are going to be in session on Saturday and we are going to make it a worthwhile day.

It is my first ambition and desire to see that day devoted to debate on this bill. But if we do not do that, we are going to do something.

Mr. HART. If I may respond to the leader, I intend to do all I can to make the Saturday session a worthwhile day and whatever debate this Senator is involved in will be substantive debate.

Mr. TOWER. Mr. President, will the majority leader yield?

Mr. BAKER. Yes; I yield.

Mr. TOWER. Mr. President, it is not as if this is the first time we have ever debated the MX in the Senate. We debated it extensively on the resolution of approval. As a matter of fact, we debated it as long as Senators wanted to and still did not use all the time available to us.

This matter has been debated frequently on the floor of the Senate. It has already been debated some in the course of the consideration of this bill. It is not as if Senators are uninformed on the issue. I think, by virtue of the debate and discussions that have gone on in the past few months, the Senate is very well informed on that issue. I think the lines are pretty clearly drawn. I think attitudes of Members of the Senate toward MX are pretty well set at this point.

So, although I would not suggest that debate would be unproductive or irrelevant, it certainly could be relevant.

The PRESIDING OFFICER. The majority leader's time has expired.

RECOGNITION OF THE MINORITY LEADER

The Democratic leader is recognized.

Mr. BYRD. Mr. President, I yield 5 minutes to the majority leader.

Mr. BAKER. I thank the minority leader. I yield to the Senator from Texas.

Mr. TOWER. I would not suggest that debate is not developing. I believe it is. I still believe that we can come to conclusions. You come to a conclusion by having a vote. I can assure you that we will get a vote on some aspects of the bill tomorrow if I can get the floor, and I have reason to believe that I can.

So it will not be an unproductive day as far as making some decisions relative to the Defense Authorization Act of 1984.

As the Senator from Colorado knows, I try to be evenhanded and I do not try to foreclose my colleagues or tread on their rights, either in the committee or on the floor. If I have done so, I have done so unwittingly.

Mr. HART. Will the Senator yield?

Mr. TOWER. Yes.

Mr. HART. I would like to restate the question as to how many amendments there are which are unrelated to the MX. Further, will there be votes today on the MX issue?

Mr. TOWER. Yes, on the amendment offered by the Senator from New York, I would suspect, after reasonable debate. I doubt very seriously before noon but sometime early in the afternoon there will be a vote. As far as other amendments are concerned, there are about 10 remaining amendments, most of which can be disposed of in a relatively short period of time, and about half of which could be disposed of probably without a record vote.

Mr. HART. I thank the Senator.

Mr. BAKER. Mr. President, let me add only one last thing and then I do want to terminate this conversation. I am not committed to finishing this bill today or tomorrow or Monday or Tuesday or Wednesday or Thursday. I intend for the Senate to work as long as it needs to work. But I do intend to ask the Senate to work diligently on the measure.

Mr. BYRD. Mr. President, I hope that the majority leader will not think that anyone on this side of the aisle is seriously contemplating at this point frustrating the majority leader in his desire to get on with this bill. I think, on both sides of the aisle, the less heat there is the more likely we are to make progress. I suspect I may have initiated it by something I said in jest.

I do not expect to be caught here alone on my side of the aisle. I would just say that if I am caught alone and there is a quorum on the other side, the bill is not going to pass, but I am not going to be caught alone. I hope the Senate can get its work done in proper fashion. If somebody has approached the majority leader and said there will not be a quorum, he can almost be certain of having a quorum himself on Saturday, and I realize it. We will have as many Democratic Senators as possible here on Saturday so that it will be a meaningful day.

I have always found that Senators did not like to come in on Saturday, but when they did so we accomplished more sometimes than we did on any other day of the week. We had more rollcalls. There were no committees meeting. There were no meetings in offices that kept us from the floor. We had good attendance on the floor with good debate. We always accomplished more, it seems than we did on many of the other days of the week.

If I said anything in the beginning that left the impression with the majority leader that it was my intention to block anything, he knows in his heart that that is not the case.

Mr. BAKER. I know full well that the Senator will be here and I know he will join with me in helping to move the work of the Senate.

Mr. BYRD. The Senator is correct.

Mr. BAKER. Mr. President, I am sure the time has expired. There are two special orders.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that at the conclusion of the two special orders there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m. in which Senators may speak for not more than 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. I did not realize I had any more time. I will yield it back in a moment.

RECOGNITION OF SENATOR GRASSLEY

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa, Mr. GRASSLEY, is recognized for not to exceed 15 minutes.

Mr. GRASSLEY. Mr. President, I sought a special order to discuss our national defense and matters related thereto. I wanted a special order because some of the matters I want to discuss go beyond just the authorization bill.

The PRESIDING OFFICER. The Senator may proceed.

LONG-RANGE BUDGET PROJECTIONS

Mr. GRASSLEY. Mr. President, long-range budget projections, whether for the Federal budget, the social security budget, the defense budget, or

any other budget, are necessary for one basic reason: To force sound decisions in the present.

If sound decisions are derived from knowledge of their future consequences, then it follows that unrealistic outyear estimates will lead to bad decisions.

That is what we are in the midst of today, Mr. President, with our defense policy. We have been making poor decisions in most areas of the Federal budget, and today their consequences are threatening our economy, and, in the case of defense, they are threatening our national security.

Mr. President, I urge my colleagues to not make the same mistakes we have made with past defense budgets decisions.

In the past, we presided over across-the-board stretchouts, reduced production rates, and funding for the production of programs whose designs were undetermined. Instead—we should have been making the necessary tough decisions to cancel low-priority programs.

The results of our past actions have been a gradual shrinkage of our military forces, and at an ever-growing cost to the taxpayer. This is the exact opposite of what our goals should be. We should be increasing our defense at falling costs as in any free-market enterprise. And we should take advantage of whatever actions will enable us to attain those goals.

But how is it possible to make intelligent choices if we do not know their impact 3, 5, and 10 years down the road?

There is simply no realistic cost data available to the Congress that far down the road. There are no realistic projections either for individual systems or for the budget as a whole.

This leaves us in the untenable position of not knowing the state we are presently in, or how bad it will become. We have no clear idea of the long-term consequences of our past decisions, or of the decisions we are about to make on this bill before us, as an example.

Without realistic budget projections for both individual systems and for the entire 5-year defense plan, it is impossible for this Congress to make an intelligent decision about our national defense policy.

I have requested an independent repricing of the 5-year defense budget from both the President and the Secretary of Defense. I have simply asked for honest budget numbers. I was turned down on both counts.

The underfunding of the defense budget is a serious problem, Mr. President. The time is long past when it can be swept under the rug. The problem is here with us now. It is hurting our national defense and it is hurting our economy.

The defense underfunding problem is a symptom of the inherent structural malaise in the defense procurement system. Programs are underestimated, or "low balled," into the defense budget.

Their projected costs for the outyears seldom match up with their actual costs. Technical complexities, design changes, time delays, and stretchouts add to the mismatch.

This occurs continuously until the entire budget snowballs into a mass of uncertainty. And that is what we are confronted with today, Mr. President, in the authorization bill before us or the appropriations to come up.

Do we know what today's decisions will lock us into for the future?

Do we know what we are buying?

Do we know how much it will cost?

Unfortunately, Mr. President, the answer to each of these questions is a resounding "no".

Some Pentagon analysts have speculated on a massive underfunding of the 5-year defense plan. Franklin Spinney has speculated on a 30-percent figure for the procurement budget alone.

While the underfunding may be massive, actual defense spending, since 1963, has exceeded projected spending by 12 percent, according to the General Accounting Office.

If this is true, then the difference between the underfunding figure which Spinney estimates at 30 percent and the GAO cost overrun figure of 12 percent is made up by a reduction in the quantities planned. When costs rise faster than the budget, quantities must be and have been cut back.

And that, Mr. President, is precisely what is happening in a dramatic way to our national defense.

There is ample evidence that this pathology is continuing.

Last year, for example, the Navy said it would buy 21 ships in fiscal 1984. But the President's budget requested only 17 ships. Further, in 1982, the Navy said it would decommission only eight ships in fiscal year 1983. But in 1983, the year we are in, it will actually decommission 27 ships instead of the 8.

Last year, the Army said it would buy 1,080 M-1 tanks for fiscal year 1984. But this year's budget request by the President contained only 720.

Originally the Air Force planned to purchase the F-15 aircraft at a rate of 144 per year for 6 years. Instead, initial procurement was stretched out from 6 to 9 years, and the cost increased by $2 billion, the cost of an additional wing of F-15's.

New programs also seem to be in trouble.

If commonsense is any gage, we may soon witness a substantial cost overrun of the B-1 bomber.

Combining actual funding with planned and proposed requests through the fiscal year 1985, the first 52 B-1B aircraft will cost $16.24 billion in 1981 dollars.

Remember that the certified cost ceiling for 100 aircraft was $20.5 billion, in 1981 dollars.

That means the remaining 48 aircraft must cost no more than $4.26 billion. The remaining 48 must be purchased at an average of $87 million per copy, compared to $312 million for the first 52, and I doubt that we are going to get that additional 48 for that price. In fact, it is almost an impossibility.

For the Air Force to realize its proposed learning curve for the B-1 would be a tremendous—if not, impossible—undertaking, given the history and record of the Pentagon. Old habits die slowly, we know, and even then, only when you try to break them.

The effort to do that in DOD does not seem to be equal to the task. The old habit never seems to be broken.

The most visible evidence of the structural malaise is colossal cost increases for spare parts. The Air Force's spares bill has increased from $800 million to $4 billion, in constant dollars, in 10 years. It will go higher as more complex systems are purchased.

Examples of year-to-year increases of 100 percent or more are common.

The cost increases for spares occur for several reasons. Pentagon procurement incentives exert pressure to sole-source. The percentage in dollars procured competitively has dropped over the last 10 years from 37.5 to 20.7 percent.

When competition decreases, costs increase. We have failed to learn from this lesson, either in the case of spare parts or in that of major weapon systems.

Despite these structural problems, the Defense Department claims it has solved all the problems and has rendered them historical.

That is a word that is always cropping up in the rhetoric of the Defense Department in justification of these changes and in answer to these problems we raise.

Yet this contention flies in the face of analyses done by, or for, the Office of the Secretary of Defense, the Air Force, the President's own private sector survey on cost control, and the Heritage Foundation, long a philosophical ally of President Reagan.

The most comprehensive outline of what the Defense Department is doing to control the Pentagon's budget was set forth in a speech by Secretary Weinberger to the National Press Club on June 14.

First, the Secretary is still claiming long-term savings that have been refuted by GAO and doubted by CBO Director Alice Rivlin.

Second, most actions taken to date by the Pentagon, although helpful, have not scratched the surface of the

structural problems. Secretary Weinberger has cited 650 convictions over an 18-month period that have yielded over $14 million in fines and restitutions.

Jonathan Swift once said:

> Laws are like cobwebs, which may catch small flies, but let wasps and hornets break through.

The problem with the Defense Department is that they are letting too many wasps and hornets get through.

The real structural problems which have not been addressed are much more institutionally set in. One of the biggest problems is the "buy-in" which results from an unrealistically low cost-estimate for the purpose of getting a program started up. This is one of the biggest drivers of the mismatch between projected and actual costs.

Continual design changes are another. We continually add new features to weapons while they are in production. This leads to program instability and delays, and drives the cost up immeasurably.

Stretch-outs are another cost-driving factor. Reduced production rates and procurement stretch-outs increase unit costs. Budget constraints are not the source of the problem. It is our failure to deal with budget constraints wisely that causes unit costs to rise.

Unit costs increase as a natural consequence of the future-year underestimation bias. When we fail to cancel other programs to compensate, we stretch out and reduce quantities. This is still occurring today, despite larger Defense budgets.

Quantitywise, we are spending more on defense then ever before and getting less for it.

Mr. President, a repricing of the 5-year defense plan is absolutely essential if we are to know the problem we are confronted with today.

The fact is that we do not know what we are doing to ourselves this year, next year, or the year after that, because we do not have accurate numbers.

Making decisions without a clear understanding of what we are setting ourselves up for in the future will limit our options as well as our ability to escape undesirable consequences.

The longer we proceed without first understanding the underfunding problem and then actually dealing with it, the tighter we tie our hands and our ability to avoid disaster.

If we decline to understand and deal with this underfunding problem, Mr. President, then harmful consequences are inevitable. To some extent, they are already here.

First, our forces will continue to grow only slightly. We will not be able to buy at anticipated production rates because of stretch-outs and cost-increases, which force us into low-rate production almost across-the-board.

Second, underfunding puts pressure on those accounts which would enable us to sustain our military power. Readiness suffers.

Third, and worst of all, any changes in the Defense plan now result in disaster. The DOD budget is a fragile plan unsuited to the inevitable push-and-pull that will occur in the Congress. The Pentagon can adapt well to neither largesse nor to cutbacks.

If the budget for spare parts, for example, increases, the money gets syphoned off. If the budget is pared back by a small increment, the entire operation is thrown into chaos.

This should not come as a surprise to us, Mr. President. Any bureaucracy whose goal is budget growth, and to the degree that the budget is made inflexible, chances are that the bureaucracy will get what it wants; namely, a larger budget.

Unfortunately, in the case of national security, such goals do not lead to the possession of capable military forces which are able to win wars over time.

Mr. President, it is my hope that my colleagues will take recognition of the underfunding problem to heart, especially its adverse consequences on our national security. Each year that we fail to deal with this problem, the more securely we lock ourselves into an unknown future.

This is no way for a Federal Government to conduct either its budget affairs or its national security affairs. I hope Congress, this year, will take the first step toward controlling the Defense budget. We must reprice the Defense budget if we are to have a better understanding of the long-term consequences of present-day decisions.

I shall continue to pursue a repricing of the Defense budget, with or without the cooperation of the Defense Department. Until the Defense budget is repriced, the uncertainties and the ambiguities that characterize the Defense budget will intensify, and our ability to defend this country will grow ever doubtful.

RECOGNITION OF SENATOR BOSCHWITZ

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized for not to exceed 15 minutes.

DEFENSE UNDERFUNDING

Mr. BOSCHWITZ. Mr. President, I rise to join my distinguished colleague from Iowa (Mr. GRASSLEY), who is a fellow member of the Budget Committee, in discussing a most serious problem, the underpricing of the defense budget.

Mr. President, ever since my arrival in the Senate in 1978, I have been a strong advocate of national defense. I have voted for most of the increases in the defense budget. I have taken a very consistent viewpoint that the defense budget should have a 5-percent real growth. I have made a number of very controversial votes for weapons systems in the defense budget that many of my constituents perhaps disagree with me on—the B-1 bomber and the MX missile. And so we have had, indeed, a 5-percent real growth in the defense budget over the years of my being in the Senate because most of my colleagues have shared my conviction that such growth is vital to our national security.

But, Mr. President, my life experience before coming to the U.S. Senate is that of a businessman, and I also like to get a bang for the buck. I also believe that we ought to have some efficiency in defense and get a good return on our defense investment. Therefore, not only do I want a strong defense but I also want—as does the Senator from Iowa and I believe every Member of this body—a cost-effective defense.

I understand, too, Mr. President, that business is different than defense, that business is different than Government, particularly in the area of defense where redundancies have to be built into our strategic and conventional force structure. We just cannot build perhaps the most efficient thing in each instance because we cannot afford to make a mistake. In business, if there is a mistake, perhaps it is not as serious as it would be in defense. Redundancies are in some cases necessary in defense to avoid mistakes.

But, having said all of that, I still believe very strongly in cost-effectiveness in a budget of $1.6 trillion over the next 4 or 5 years, and so I join with the Senator from Iowa in seeking to get a bigger bang for the buck, so to speak, from our defense budget.

The underpricing of the defense budget—and I do not wish to repeat my colleague's statement—is an issue that has been outlined by a number of very credible analysts. What these analysts contend, Mr. President, is that the Pentagon 5-year defense plan assumes that unit costs of weaponry will substantially decrease as production continues. This concept of a so-called learning curve, which I am very familiar with from business, means that as more units are manufactured, the utilization of labor and capital becomes more efficient, economies of scale are achieved, and there is a lowering of unit costs. You can spread the cost of your overhead, your investment, your machinery, and the entire cost of production over more units and you should get a lower cost per unit.

Unfortunately, Mr. President, the so-called learning curve does not seem to exist in many areas of the Department of Defense. Prices in real terms

either remain the same or they rise dramatically. Prices in real terms, Mr. President—not just inflation increases but prices including inflation—and that is what we are getting at.

What this means is that the actual cost of weapons programs is larger than the cost presented to the Pentagon in its 5-year defense plan. The defense budget is, therefore, underpriced as we say.

Mr. President, there are numerous examples of underpricing in particular weapons systems. In the 1978 to 1982 defense plan, the Air Force predicted the cost of the F-16 fighter would be $7.5 million. By 1982, 4 years later, the cost was running at $12.5 million, two-thirds higher than expected. That is at least nearly twice as much as the rise of inflation during that period. The same thing has been true in the Army's UH-60A helicopter and the Air Force's Sparrow and Sidewinder air-to-air missiles.

In order to compensate for the failure of unit costs to decline as predicted, the Pentagon has been forced to buy fewer weapons, as the Senator from Iowa pointed out, than were originally planned or else to cut funds elsewhere, such as in spare parts and maintenance. This is a real tragedy of underpricing, Mr. President. Not only does it distort prudent and rational congressional decisionmaking on the defense budget, but it also hurts our national security by reducing our supply of needed weapons and depriving us of resources for operation and maintenance.

The most common causes of underpricing seem to be the "buy-in" syndrome, the idea of defense contractors submitting artificially low estimates of unit costs so they can buy into the system, so that they can win weapons contracts. Once they have won, costs inevitably rise.

The second cause of increasing costs is the Pentagon's frequent practice of changing the design of weapons. These alterations are expensive and also disrupt the production process, which itself tends to raise unit costs.

Mr. President, I commend the Senator from Iowa (Mr. GRASSLEY) for his work in bringing the problem of defense underpricing to the attention of the Senate and doing so in a forceful way. I have heard him talk about it a number of times in the Budget Committee and on the Senate floor as well. I also join him in his call for repricing of the defense budget. We simply must have more accurate information about the real costs of defense if we are going to make sound decisions about expenditures for our national security.

Mr. President, I should like to end by saying that there are examples on the other side as well. I hear endlessly from my friend and colleague who sits next to me on the floor of the Senate (Mr. COHEN) about the Bath Iron Works and how every ship that it makes comes in under the estimates that are made to the Defense Department. He talks about Yankee ingenuity and goes on and on as we sit in this Chamber. But if you can build a ship, which is certainly a most complex mechanism, and come in under costs and come in under estimates and make your estimates in an honest and forthright manner so that you can work within the confines of that estimate, so it should seem that you can do that throughout the whole defense budget.

I think the contention of the Senator from Maine that the constituents that he has in the Bath Iron Works are an example that can be followed throughout the entire defense budget is entirely correct. So I commend the Bath Iron Works and commend their Senator for continually bringing that to the attention of this Senator and other Senators who do not want the defense budget to be underpriced. We want it to be fairly priced. We want to provide the needs for the defense of this Nation. I am prepared to vote for that. But I also want to get a true bang for the buck as we do in Maine and as we should in the other 49 States as well.

Mr. HART. Mr. President, will the Senator from Minnesota yield briefly?

Mr. BOSCHWITZ. I yield briefly to the Senator from Colorado.

Mr. HART. Mr. President, I wish to associate myself with the remarks of the Senator from Minnesota in congratulating the Senator from Iowa, who has become one of the most constructive and thoughtful critics, if we may say so, of unnecessary spending.

In recent months, he has spoken as one of the Senate's most thoughtful individuals on the issue of the taxpayer receiving his or her dollars' worth in terms of national security.

I listened to his remarks here this morning in identifying the potential outyear procurement crisis and the drain that represents on other defense categories and accounts. I think he is absolutely on target. I urge him in his efforts to focus the attention of the Defense Department and our senior uniformed and civilian officers on the issues of defense.

I think his statement here this morning is a genuine contribution to a serious debate on defense policy.

Mr. BOSCHWITZ. I suppose I should turn to my colleague from Iowa, who is being lauded by his colleague from Colorado. I quite agree with the Senator's remarks.

Perhaps the Senator would like to join us on the amendment that the Senator from Iowa and I will introduce on the B-1.

Mr. GRASSLEY. I simply say, "Thank you" to my colleagues from Minnesota and Colorado. I appreciate their comments very much.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, which will not extend beyond 11 a.m., during which Senators may speak for 2 minutes each.

EXECUTIONS IN IRAN

Mr. PROXMIRE. Mr. President, undoubtedly the most horrible example of religious persecution was the Nazi genocide of European Jews. Worldwide reaction to the Holocaust led to a U.N. treaty which declared genocide an international crime. Oppression of religious minorities continues today, but for 34 years the Senate has failed to respond to this oppression. For 34 years the Senate has failed to ratify the Genocide Convention. Will we continue to ignore the plight of persecuted religious minorities throughout the world?

On June 16, six men were hanged in Shiraz, Iran. Two days later, 10 women, including 3 teenage girls, were also hanged in Shiraz. These Iranians had been summarily arrested, sentenced, and executed, solely because they were members of a religious minority within Iran. Despite great pressures, these Baha'is refused to recant their faith, thus forfeiting their lives.

On June 27, the Baha'i Washington Information Office held a press conference in response to the recent executions. The June executions marked the first time women had been the majority of those killed. The press conference focused on why Baha'i women pose such a challenge to the Khomeini regime.

Basic tenets of the Baha'i faith fly in the face of the traditional Islamic values. The Baha'i teachings of equality of the sexes and compulsory education for all have resulted in women achieving prominent positions within the Baha'i community. The Iranian Government's campaign to eliminate the Baha'i leadership has made Baha'i women targets of persecution.

Numbering over 300,000, the Baha'is constitute the largest religious minority in Iran. But unlike the Jewish, Christian, and Zoroastrian minorities, the Baha'is are denied recognition and protection under the Iranian Constitution. They are treated not as a religious group, but as a political group by the Iranian Government.

Initially, the charges brought against the Baha's were political—ranging from collaboration with the Pahlavi regime to being agents of Zionism. But a March 1981 decision of the Supreme Judicial Council signaled an ominous new development. The charges brought against two Baha'is included membership in a Baha'i administrative institution and participa-

tion in Baha'i activities. For the first time, membership in Baha'i institutions was officially recognized as a capital offense.

The Iranian regime's threatened eradication of the Baha'i community calls for the strongest condemnation possible. The United Nations, the European community, and various national parliaments have issued resolutions expressing their grave concern at the persecution of the Baha'is in Iran.

For over 200 years, the United States has championed the cause of oppressed minorities throughout the world. But to effectively protest gross violations of human rights, such as those occurring in Iran, we must put ourselves on record in condemnation of systematic mass murder.

Senate ratification of the Genocide Convention would solidify our human rights stance. I urge my colleagues to ratify this treaty.

WHY THE NEW YORK TIMES OPPOSES THE NUCLEAR FREEZE

Mr. PROXMIRE. Mr. President, in poll after poll, in State referendum after State referendum, a whopping majority of about three out of four Americans support this country working to negotiate a mutual, verifiable nuclear freeze with the Soviet Union.

A few days ago, I called the attention of the Senate to the 3-to-1 support of a nuclear freeze by members of the Foreign Policy Association—a group of 8,000 respondents who had spent months debating all sides of the issue in great detail. More recently, I read into the RECORD the reports that even the most conservative religious group in this country—the Evangelicals—also decisively support the nuclear freeze.

Like all major questions of governmental policy, the support for the nuclear freeze is not unanimous. And that does not surprise me. What does surprise me is that some of the best informed persons—persons who obviously yearn as deeply as any of us for peace—oppose the freeze. No. 1 in that category, in my book, has been the New York Times. What perplexes me about the New York Times position was that in spite of the fact that the nuclear arms race is the biggest issue of our age, the Times has not seemed to spend any significant effort spelling out just what bothers them about the freeze and why it is wrong. Finally, a few days ago, one of the major writers on the Times, Flora Lewis, a New York Times expert on foreign affairs, devoted a column to her objections to the nuclear freeze. Here are some of her objections.

First. A nuclear freeze is probably unattainable.

Second. A freeze would perpetuate a grave strategic error—the focus on multiple warheads.

Third. The freeze may lead to the extreme of unilateral disarmament.

But most of the Lewis opposition to the freeze relied on an excellent book recently published with a foreword by Derek Bok, the president of Harvard University, and the body written by six harvard scholars. The book is entitled "Living with nuclear weapons." I have already discussed this book several times on the floor of the Senate.

Flora Lewis relies on the Harvard book as her basis for the contention that a nuclear freeze leads to an unrealistic panacea and away from the hard, realistic, limited kind of arms control that she feels we must develop. Mr. President, after reading the Lewis column, I called Harvard University and talked to one of the scholars who wrote the Harvard book, Dr. Albert Carnesale.

Dr. Carnesale pointed out that the entire discussion of the wisdom of a nuclear freeze in his book took place on three pages. The Harvard book does indeed contend that a "comprehensive freeze," including the works—stopping all testing, all production, all employment—would take a great deal of time to negotiate and would massively raise the cost of arms control. Frankly, this old Scrooge of a Senator cannot think of a better way to spend money. But the book adds:

> It may be too easy to undercut a comprehensive freeze proposal by driving it to its maximum interpretation. Much of the public would be satisfied with far less than a total freeze. It might be possible to freeze the most destabilizing weapons first, followed by less dangerous weapons.

The section of the Harvard book on nuclear weapons that is devoted to the freeze concludes:

> Even if it appears unlikely that a total freeze will be negotiated, serious efforts to achieve partial freezes may offer a route to a less dangerous future.

Mr. President, no one has ever argued that negotiating and enforcing a nuclear freeze would be quick, easy, or cheap. It will not be. It should very likely be pursued in stages. But it should be pursued with all the vigor we can summon. Both the United States and the Soviet Union, as well as the rest of mankind, have too much to gain from stopping the nuclear arms race to permit us to fail to give this objective every bit of support we can. Yes, indeed, we should be careful and realistic along the way. But we have the people of this country behind us on this issue. We have the interests of our great potential adversary also squarely on the side of achieving a mutual, verifiable agreement. So we should get on with it.

Mr. President, I ask unanimous consent that the article from the New York Times by Flora Lewis and an excerpt from the book, "Living with Nuclear Weapons," by the Harvard Nuclear Study Group, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 11, 1983]

NO NEED TO BE GOOD

(By Flora Lewis)

The nuclear freeze debate has been of great value in reviving intense public interest in the atomic arms race. But it has gone about as far as it can go.

A mutual freeze is probably unattainable. A recent Soviet hint of interest included requiring Chinese, British and French acceptance. If the enormously complicated negotiations did start, they would be more likely to spur a rush for new arms before the deadline than to halt it.

Further, a freeze not only at present levels but with present types of weapons is not desirable. It would perpetuate a grave strategic error made when the U.S. decided to focus on multiple warhead missiles, and the Soviet Union followed in spades.

It would be more helpful at this stage to ban antisatellite weapons, which are not necessarily nuclear, because they could seriously threaten what mutal confidence exists that neither the U.S. nor the Soviet Union is about to launch an attack.

Satellite killers could leave one or both sides like enraged deaf and blind tigers, with their teeth and their roar intact. They can destroy what controls exist.

Still, the nuclear issue remains. The danger of pursuing the debate in its current public terms is utter frustration, just when citizens are coming to realize that something must be done and are willing to participate in the search for sound measures. Unless the argument moves to a more concrete, informed understanding of the nuclear age, people are likely to square off between the extremes of unilateral disarmament and renewed apathy; in effect, "let the leaders decide."

President Derek Bok of Harvard concluded last year that the universities have a responsibility to promote public education. He commissioned a book in which six scholars deliberately set out to share expertise with their fellow citizens, in a form interested laymen can absorb.

It is called "Living with Nuclear Weapons," and is published by Harvard University Press. While it does reach the clear conclusion that there is no foreseeable way to get rid of these weapons, as Prometheus could never undo his theft of fire for mankind, it is at last an effort to give the public the necessary tools for judging the questions at hand.

The goal is to move the debate to a new level that is "realistic with out being fatalistic," that can enable the citizen to reach about the same capacity for decision which political leaders gain by listening to advice from the few who know but often disagree. A virtue of the book is that it gives full weight to all the unknowns, making clear there is not and cannot be an escape from the multitude of uncertainties.

Each citizen is not only a target, the book points out. Each is also an actor in the fateful drama ahead. Each needs more than the instinct of revulsion to guide the nation and the world through the hazard passage to a more hopeful future.

The writers say certainty is not only unachievable, it is a formula for disaster. They reject both complacency and utopianism,

since greater safety will not come unless people act to attain it. But neither will it come if they require absolute wisdom from fallible humanity.

They quote T. S. Eliot on the foolishness of humans who "constantly try to escape / From the darkness outside and within / By dreaming of systems so perfect that no one will need to be good."

The whole point is that we do need to do better, and to manage our conflicts while we go about it. Jonathan Schell's essay on "The Fate of the Earth" vividly stirred awareness of what could happen if we fail. But, as the Harvard book says, the only solution he offered was to "reinvent politcs, reinvent the world." That is no solution at all because it isn't possible, and it impedes the effort for improvement that are possible.

This Harvard short course on the nuclear dilemma discusses the history of the weapons, the way successive generations were developed, the strategies of how deterrence can work and what must be planned in case of failure, the fuzzy question of what can be considered a balance, what kinds of weapons are stabilizing or destabilizing, what arms control can be expected to achieve.

Jargon and acronyms are translated into intelligible English in the text. Often, the layman's sense of impotence at sorting out nuclear issues is provoked by no more than the arcane vocabulary. Translation makes a big difference. Even more useful would be a glossary of technical, strategic and military terms used by insiders. It is to be hoped Harvard will go on to produce one for ready reference.

A manual, or a syllabus, to enable groups of concerned people to organize their own study sessions of just what the nuclear age is about would also help. It is not enough to hate the bomb, or hate the foe, or both. The need now is to proceed from emotion to information on the actual issues.

Harvard has performed a service. The next step requires individual efforts by citizens to equip themselves to use their democratic right of decision by using their freedom to gain knowledge. It is a promising challenge.

EXCERPT

Freezes. Freezes present much the same verification problems as reduction schemes; therefore, the two approaches have much in common. SALT II was primarily a partial freeze agreement and the most time-consuming part of its negotiation was that relating to verification. In the current discussion of freezes, the importance of reaching an agreement in relatively short time has stimulated some to propose that what is initially frozen be simply the items covered in previous negotiations. This would include the strategic launchers of SALT II, a nuclear test ban, and possibly a ban on anti-satellite weapons.

Another approach lies in taking the SALT II agreement as the starting point and modifying it to prohibit the deployment of the one new ballistic missile it allowed to each side, to carry out reductions over a number of years until 50% reductions have been achieved, to halt the deployment of all cruise missiles and Pershing II missiles in return for the elimination of the Soviet SS-4s, SS-5s, and SS-20s. This is a hybrid proposal, about half a freeze and half a reduction scheme.

The real challenge comes in finding ways to meet the demanding requirements of those freezes that have produced such large public followings: to freeze the production, testings, and deployment of all nuclear weapons systems on the two sides in a verifiable manner and to negotiate this quickly enough to have a decisive role in bringing the arms race to a stop. Consider what this involves. It means devising and then negotiating verification procedures for weapons production, and the development, testing, production, and deployment of nearly a hundred kinds of weapons and delivery systems that make up the offensive and defensive forces at the strategic, intermediate, and battlefield levels on both sides. If stability is to be maintained in the long run, one would also have to freeze countermeasures to these weapons such as anti-submarine warfare capabilities and air defenses. And then for each weapon system one must decide what is to be allowed with respect to maintenance and modernization. Are replacements to be allowed? If so, can they be improved versions of the same weapons systems? What if the original factories and components no longer exist? How much improvement is to be allowed?

A comprehensive freeze or comprehensive reductions would require extensive and elaborate negotiations. Unless the arms control budgets of the superpowers were raised a hundredfold or more and many teams negotiated simultaneously and were convinced that both nations wanted this kind of agreement, one cannot imagine such agreements being negotiated in a few years. This is the challenge presented by those who advocate a negotiated comprehensive freeze or a comprehensive reduction regime.

It may be too easy, however, to undercut a comprehensive freeze proposal by driving it to its maximum interpretation. Much of the public would be satisfied with far less than a total freeze. It might be possible to freeze the most destabilizing weapons first, followed by less dangerous weapons. The verification problems for less than total freezes might be less difficult. And total bans of some new weapons may be simpler to verify than limits because only one sighting would be sufficient to prove a violation. However, in the end there would undoubtedly remain some systems that would require special verification measures inside the other country; such requirement would have to be met if the freeze were to be truly comprehensive.

There is a conflict, moreover, between two strongly held points of view among those concerned with these nuclear issues. One group wants a freeze to stop all technology and development as completely as possible. Others see a danger of disassembling the whole nuclear weapons research and development and production establishment. These people would see virtue in allowing certain developments to proceed in order to allow less vulnerable and more stable weapons to replace existing systems. For example, a freeze in 1959 would have stopped deployment of our invulnerable Polaris submarine-based missiles, and that would have made the 1960s less safe. On the other hand, a freeze in 1969 would have avoided the instability that was caused by the introduction of multiple independently targeted re-entry vehicles (MIRVs) on missiles in the 1970s.

It is an open question whether a freeze today would enhance crisis stability or not. Some threatening systems would be stopped, but a freeze could also prevent such developments as a new small single-warhead land-based missile that many experts believe is the best way to remedy the current problems created by MIRVs. Clearly there is a strong case for discriminating restraints on weapons technology rather than a total freeze.

One such limited freeze is a cap on the number of nuclear warheads—each side now deploys roughly 11,000 on systems with ranges over 1,000 miles—requriing that any warhead added to the two arsenals be compensated by at least an equal number withdrawn. This would be consistent with the simplicity that is the great virtue of the freeze idea. It leads to a simple relevant list of what is to be frozen (strategic warheads); it might be quickly negotiated; and it would be verifiable by the already negotiated SALT rules and procedures being observed by both sides, coupled with negotiated procedures to verify warheads on cruise missiles and intermediate-range missiles. This would avoid the potentially dangerous approach of freezing the modernization of certain forces while letting their counter-measures run free. Moreover, it would lead quickly to more complex arms control negotiations without reducing Soviet incentives to bargain.

Freezes produce public enthusiasm, and if and when alternative schemes of arms control are devised, they may well have to meet this test of eliciting strong public support to ensure ratification. Even if it appears unlikely that a total freeze will be negotiated, serious efforts to achieve various partial freezes may offer a route to a less dangerous future.

RENEE MARIE KEEBLE

Mr. MATTINGLY. Mr. President, this morning in Atlanta Renee Marie Keeble made her arrival in this world. Now I do not celebrate individually the birth of every Georgia baby. But this is a special case. This is the first grandchild of my Chief of Staff Bill Stewart. From this memorable day, July 15, 1983, forward, whenever I have a meeting with the Gray Panthers or the American Association of Retired Persons and they demand to know what I am doing for the elderly, I can have Bill dodder into the room as proof of my belief in hiring grandpops and seeing that they continue meaningful lives.

So let me extend my congratulations to Beth and John Keeble on the birth of their beautiful daughter. She has already brought joy to her parents, to this Senator, and to at least one old man and his dear wife, Clara, two people that I count among my dearest friends.

SENATOR LEN B. JORDAN OF IDAHO

Mr. JACKSON. Mr. President, on June 30, a former colleague and friend, Senator Len B. Jordan of Idaho, passed away in Boise. He will be missed by those of us who served with him in this body.

Mr. Jordan was appointed to the Senate in 1962 following the death of Senator Dworshak. He was elected in his own right later that year and was reelected to a full term in 1966.

Before then, Mr. Jordan served as Governor of Idaho from 1950 to 1954 and in the State legislature in the late 1940's. Following his term as Governor, President Eisenhower appointed him to head the U.S. delegation to the International Joint Commission during which time he helped negotiate agreements with Canada for the St. Lawrence Seaway, the Columbia River Basin Treaty Compact, and the Libby Dam.

During his decade of service in the U.S. Senate, Senator Jordan was a member of the Interior and Insular Affairs Committee which I chaired during that period. I consider it a privilege and an honor to have served with him on the committee and to have enjoyed 10 years of personal and professional association.

Senator Jordan made many significant contributions to the water resource, public lands, and recreational policies of the Nation in connection with his service on the committee and in the Senate. I especially remember the critical, and indeed decisive, role he played during the deliberations of the conference committee in 1968 that led to the prohibition of the diversion of Columbia and Snake Rivers water.

He will always be remembered by those of us who served with him as a man of his word; a man of great integrity; and a man of quiet wisdom and simple dignity. Len Jordan's career demonstrated an unswerving and fundamental commitment to commonsense and to public service for the Nation and the people of Idaho.

Len Jordan was a member of the Republican Party—which was the minority party all during his years of service in this body. But he recognized that the way to get things done was to put aside petty partisanship. Indeed, his Democratic colleague from Idaho, former Senator Frank Church, called their relationship an effective partnership. Senator Church said of his colleague, "We have been able to find common ground and this has yielded terrific dividends for Idaho." And that is the kind of Senator that was Len Jordan. He was more interested in accomplishments and action than politics.

On behalf of his many friends and colleagues in the Senate, I extend my condolences to his widow, Grace, his family, and his friends during this difficult time. They can be proud that Len Jordan's character and actions brought honor to the U.S. Senate and benefited the people of Idaho and this Nation.

THE 50TH ANNIVERSARY OF GRAND COULEE DAM CONSTRUCTION

Mr. JACKSON. Mr. President, tomorrow—July 16, 1983, is a historic day in my State and, indeed, for the entire Nation. Tomorrow marks the 50th anniversary since the first shovel of dirt was turned beginning construction of the world's greatest hydroelectric project, the Grand Coulee Dam, on the Columbia River in my home State of Washington.

For years after the beginning of this century, just the thought of attempting to construct a dam of such magnitude was viewed by many as an impractical dream of wishful thinkers.

In the 1920's President Hoover opposed the project saying it would be wasteful and that the thousands and thousands of acres that could be irrigated for agricultural use were not needed by the Nation. Later, Franklin Roosevelt made the Grand Coulee Dam proposal a major campaign issue and, after his election in 1932, the dam project became a cornerstone of his public works program.

President Roosevelt was joined by some of Washington State's greatest leaders, people like Senator C. C. Dill, James O'Sullivan, Governor Martin, and Rufus Woods.

Their vision proved the skeptics wrong even before construction was completed. The project, begun at the height of the Great Depression, provided an economic boom to eastern Washington and provided thousands of badly needed jobs. When the war broke out, construction was speeded up in order to provide power to the shipbuilding, aerospace, and aluminum industries and, later, for the atomic project at Hanford.

Today, Grand Coulee stands as the centerpiece of the Northwest's tremendous hydroelectric system—the greatest in the world. The dam stands as a monument to the engineering and construction effort that made it possible. For the Nation, Grand Coulee Dam should serve as a symbol of what can be accomplished when good, sensible people work together and believe in themselves.

It is a great pleasure for me to share with my colleagues several newspaper articles which have appeared in eastern Washington publications in recent weeks. I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Seattle Post-Intelligencer, July 10, 1983]

FIFTY GLORIOUS YEARS FOR DAM

(By Dick Moody)

("It's 92 miles northwest of Spokane, there you will see her—Grand Coulee Dam. "Woodwork and steel, cement and sand, biggest thing built by the hand of man. "Power that sings, boys, turbines that whine, waters back up to the Canadian line."—Woody Guthrie, "Grand Coulee Dam.")

Grand Coulee—"Biggest thing built by the hand of man."

If only Woody Guthrie could see Grand Coulee Dam now, and see what it has done, directly and indirectly, to affect Washington and the Pacific Northwest.

Then he would know what an understatement he penned in that ballad.

Grand Coulee Dam is more than big.

It's an institution, responsible for economic, lifestyle and political trends that reach beyond Washington.

Fifty years ago this coming Saturday the first shovel of dirt for the dam was turned for what was to become a cornerstone of Democratic President Franklin Roosevelt's Depression-era Public Works Administration program.

The event will be commemorated by a weekend of activities culminated by a program dominated by politicians—this time Republican—led by Secretary of Interior James Watt.

With a backdrop of water flowing over the dam's spillgates, those politicians will pay homage to the men of the early 1900s who were instrumental in planning and fighting for Grand Coulee.

They fought for a dam that, perhaps more than any structure in the state, changed the region.

It transformed a desert into the breadbasket of the Pacific Northwest.

It created vast recreational areas with the creation of Lake Roosevelt and other waterways of the Columbia Basin Project.

It provides hydroelectric power that is the backbone of the Bonneville Power Administration's West Coast transmission grid.

Grand Coulee Dam, in more ways than electricity, represents power.

Before William M. "Billy" Clapp, an Ephrata lawyer with a background as a Michigan contractor, envisioned the dam in the early 1900s about the only crops grown were dryland grains. Because of sparse rainfall in that section of Eastern Washington, it took huge acreages to produce yields necessary to sustain a family business.

Now the Columbia Basin Project brings in crops with annual values in the hundreds of millions of dollars.

Last year the Columbia Basin Project's crop value of $289.1 million accounted for 14.6 percent of all Washington agrilcultural products. Instead of dryland cereal grains, basin farmers produced 35 commercial crops ranging from seed crops to orchards to spearmint.

Since the delivery of water to the first Columbia Basin Project farm in 1948, crop values have exceeded $2 billion.

And as the world population grows, international experts are realizing how much food from places like the Columbia Basin will be needed.

The United Nations, in a 1981 report, estimated that 80 percent of the world's population will live in underdeveloped nations by the start of the next century.

Experts like Don Rawlins, director of the American Farm Bureau Federation's Natural and Environmental Division at Park Ridge, Ill., at that time said, "There is no question that as the need for food becomes greater, we will have to look to areas like the Columbia Basin that have proven they can support diversified crops and have the adequate water supply."

Without Grand Coulee Dam there would be no adequate water supply.

That supply, coming from the Columbia River which is less susceptible to drought than other Northwest rivers because its source is Canadian ice flows and not just annual snowfall, also guarantees power.

Cheap hydroelectric power has been a commercial and individual attraction for the Pacific Northwest.

Grand Coulee Dam, the world's largest hydroelectric plant—a title it will retain through this decade until a larger dam in South America begins operating—has been the magnet of that attraction.

It's almost impossible to imagine the power of the Columbia river harnessed by Grand Coulee Dam.

The right and left power plants contain a total of eighteen 125,000 kilowatt units, nine in each power plant. Three small 10,000 kilowatt units in the left powerhouse up the total from the two plants to 2,280,000 kilowatts.

The third powerhouse, to be dedicated Saturday, has six units. The first three are rated at 600,000 kilowatts each and the last three, the largest in the world, are rated at 700,000 kilowatts each. The third powerhouse alone provides 3.9 million kilowatts of power.

The pump-generating plant now nearing completion is designed to pump water to the Columbia Basin Project. In times of peak power need the flow can be reversed, generating 314,000 kilowatts.

Total generating capacity: 6,494,000 kilowatts.

By comparison, Seattle's total electrical demand—averaging 1,000,000 kilowatts—can be met with just two of the largest third powerhouse units.

Last year the total federal power generation in the Pacific Northwest was 96.1 billion kilowatt hours. Of that 90.5 billion kilowatt hours was hydroelectric power. Grand Coulee, with 23 billion kilowatt hours produced, accounted for 23.9 percent of all power and 25.4 percent of all hydro power produced by federal facilities in the region.

Grand Coulee's power has also etched itself in the history of the nation's politics.

Leading that fight was U.S. Sen. Clarence C. Dill, a Democrat from Spokane, who used a parliamentary maneuver to authorize the federal study that eventually led to building Grand Coulee Dam.

He fought unsuccessfully for a study of Eastern Washington irrigation schemes. Losing that floor battle he had another senator author an amendment for an appropriation to the study of the Columbia River—with no mention of Grand Coulee Dam—into the 1926 Rivers and Harbors bill.

That allowed the Army Corps of Engineers to do a three-year study costing $316,441, that concluded, "The pumping plan of placing water on the project is altogether feasible, both from an economic and an engineering viewpoint."

Dill tried to convince Republican President Herbert Hoover of the project, but Hoover, in a 1932 message to Congress said, "We do not need further additions to our agricultural lands at present. Additional agricultural production, except such marginal expansion as present projects warrant, is unadvisable."

Dill next turned to Roosevelt, then a presidential candidate, who a few weeks after election included Grand Coulee Dam in his new Public Works Administration Program.

It was called a boondoggle by doubters when work started, but its timing was crucial for a then unforeseen era. The first power units went in service on March 22, 1941, just nine months before the United States was thrust into World War II. On Dec. 31 of that year the main structure was completed. The first water spilled over the completed spillway on June 1, 1942.

Demand for wartime power sidetracked the main reason for the dam's construction, irrigation.

The war, however, also provided veterans' benefits that later attracted servicemen to the Columbia Basin to take up farming. Many didn't last. But the ones who did helped transform the desert to the multipurpose federal reclamation project that irrigates 543,930 of the 1,095,000 acres that Congress authorized for development.

As the project enters it second half century, it is beginning development on its second half million acres.

Rufus Woods, former Wenatchee World newspaper publisher, wrote the first story about Grand Coulee Dam on June 18, 1918 and was one of the strongest supporters.

One August day in 1930, standing on the basalt bluffs of the "Big Bend" he told a young reporter, "One of these days, this desert will bloom like Eden.

"All we need is a big slab of concrete across that river,"

Woods got his concrete slab, and its called Grand Coulee Dam. . . .

"Woodwork and steel, cement and sand, biggest thing built by the hand of man."

[From the Tri-City Herald, July 10, 1983]

THE GRAND COULEE

(By Bob Woehler)

The fathers of Grand Coulee Dam didn't have such a song in mind when, on a hot July day in 1918, Ephrata attorney Billy Clapp explained to Wenatchee Daily World publisher Rufus Woods an idea about a big dam across the Columbia River.

It was the start of a 20-year battle to bring about what has been called one of man's greatest engineering achievements.

The struggle was led by such men as Clapp, Woods, Nat Washington, Frank Bell, Ed Southard, Jack Simpson, Rep. Charles H. Leavy, U.S. Sen. C.C. Dill, U.S. Rep. Sam B. Hill and Gale Matthews.

But the dam's staunchest supporter was James O' Sullivan, an Ephrata attorney who would come to be called the father of Grand Coulee Dam.

These were the "Ephrata Gang" or the "pumper," who favored irrigating the Columbia Basin by building a dam across the Columbia at Grand Coulee and pumping from there to irrigate a million acres in the Basin.

They were under-financed and not particularly well-connected.

Their opponents were a Spokane group headed by Roy Gill and James A. Ford, backed by the Washington Water Power Co. and the Spokesman Review, the largest newspaper in Eastern Washington.

The Spokane group favored running a canal from Lake Pend Oreille through Spokane and then to the Columbia Basin via Davenport and Odessa.

They became know as the "gravity supporters," and were well financed and politically powerful.

In George Sundbrog's book *"Hail Columbia,"* about the 30-year struggle for Grand Coulee Dam O'Sullivan is quoted as saying, "You know, I kind of enjoyed fighting those fellows in Spokane. They were smart and powerful and they had money, but basically they didn't have a good project.

"A little bunch of paupers down there in the sagebrush, with no money and no influence, but with a really good project to promote, licked them to a frazzle."

The issue of Grand Coulee Dam wasn't just a backyard dispute and became a topic for national debate.

Eastern congressmen called the project a colossal waste of the taxpayers' money.

Even in Olympia the Legislature in the 1920s was reluctant to spend any money on the idea.

Gov. Roland H. Harley, an Everett lumberman, was unsympathetic to the proposition of spending money to create new farm land in the state.

The Washington State Grange also was cool to the idea at first until it was convinced that cheap power would help farmers. Eventually, the Grange became one of the dam's strongest supporters.

Before the dam was completed there was an all-out battle between private and public power, an issue that led to the public utility districts of today.

When Franklin D. Roosevelt campaigned for the presidency in 1932, he made the dam a campaign issue.

The dam would mean jobs for a nation hit hard by the Depression, Roosevelt told hungry voters.

Eventually it did provide jobs for 7,455 people at the peak of construction in the late 1930s.

When completed, just after the start of World War II, Grand Coulee Dam was one of the region's main sources of electricity for shipyards, aluminum plants and airplane factories.

And it played a part in providing power for the Hanford Atomic Works.

The history of the dam is a saga that stretches from the back porch of a struggling dryland wheat farm near Othello to the steps of the White House.

Mrs. R. L. Lathim, Kahlotus, who grew up on that Othello wheat farm, remembers when congressmen of the House Committee on Irrigation and Reclamation toured the Basin on a hot July day in 1931.

Her mother Lucy M. Schoenrock was an early supporter of the irrigation project.

"The party was supposed to stop at our place to look at a typical farm that could be helped with reclamation and they arrived early for the lemonade we were supposed to serve them," Mrs. Lathim said.

"I recall being in the kitchen squeezing lemons and Sen. Dill came in and helped me," she said.

The struggle for the dam brought the high and mighty to Eastern Washington. President Roosevelt visited the dam twice, President Truman once.

The dam idea was reported in the Washington Post and the Christian Science Monitor.

But the press was not all good.

Business Week said "The Grand Coulee Dam is no more useful than the pyramids."

Those who said the dam never would pay for itself didn't live long enough to see how wrong they were.

According to the Bureau of Reclamation the dam has produced power with a wholesale value of $1.7 billion against a cost of $240 millon for the original powerhouse and dam. Even if you add the $650 million in the 1980s for the third powerhouse, it's still a bargain.

National farm organizations lined up against the dam and the Columbia Basin Project it would irrigate. Such groups as the American Farm Bureau, the National Farmers Organization and the Chamber of Commerce of the United States all claimed, "It was a waste of money to build a dam whose power would serve only jackrabbits."

But the idea of a great dam built where glaciers had once dammed the river caught

the fancy of many from the time that Woods ran his first story in 1918.

And it prompted a continual game of "one upmanship" between the Ephrata pumpers and the Spokane gravity groups.

On one occasion, the Spokane group gathered together 1,500 people at a meeting in Lind to welcome a special House Appropriations Committee, the group holding the purse strings for construction funds.

But the next day O'Sullivan, not to be outdone, managed to muster 10,000 people for a picnic at Park Lake in the Dry Falls area in a show of support to the same House subcommittee for their project.

On another occasion, Spokane invited Maj. General George W. Goethals, the builder of the Panama Canal, to the state to investigate the feasibilty of irrigating the Columbia Basin using the gravity plan, thinking with his support they could get needed national attention.

Sundborg quoted a 1922 editorial from the Spokesman Review that said it was "confident that Gen. Goethals will dismiss as unworthy of consideration (the) fantastic proposal the state abandon the Pend Oreille gravity plan of the Columbia Basin Project and turn its attention to the search for a dam site at the mouth of the Grand Coulee."

However, a visit to the dam site was included in the famous general's itinerary.

And later, in his report, Goethals said the dam could be built, though he added there was little likelihood the power could ever be sold.

Eventually he came out in favor of the gravity project backed by the Spokane group and went on to say the Pend Oreille diversion was as important to the nation as the Panama Canal.

Goethals' report buried the Grand Coulee Dam idea for seven years from 1922 to 1929, Sundborg wrote.

During this time, Washington Water Power applied for a permit to build a dam at Kettle Falls on the Columbia River which would have killed the Grand Coulee Dam project.

All was quiet from the dam supporters until 1928 when President Calvin Coolidge ordered the Secretary of Interior to investigate the possibility of the Columbia Basin Project and to find the best source for water.

At the same time, the Federal Power Commission asked for a report on all feasible power projects on navigable rivers in the country and their estimated costs.

O'Sullivan, who had left for Michigan during the mid-1920s, returned to Ephrata in 1928 and once again the Grand Coulee Dam supporters sprang into action with Woods, Clapp and O'Sullivan leading the charge.

Maj. John Butler, the Seattle district federal engineer, was assigned the task of surveying the Columbia for potential power sites.

He was to investigate gravity against pumping, high dam vs. low dam.

The "smart money" was riding on the Spokane gravity plan.

Maj. Butler's monumental report finally came out in August 1931 in favor of the dam, saying the power could help pay the costs of irrigation development.

"It was a great day for the Irish," wrote Sundborg.

In Olympia, with new Gov. Clarence T. Martin at the helm, it was full-speed ahead for the dam and irrigation project.

The Legislature established the Columbia Basin Commission to help push for the project's completion and O'Sullivan was appointed its first secretary.

The commission's headquarters was in Spokane, the heart of the gravity supporters territory.

Gov. Martin was on hand July 16, 1933, along with Sen. Dill when the first shovelful of earth was turned.

Watching were O'Sullivan, Woods, Clapp and thousands of others.

But O'Sullivan did more than watch and was soon writing letters to utility companies, federal agencies, the newspapers and equipment manufacturers, seeking additional information on the many problems involved in building a dam, installing power plants and selling energy.

It was his untiring efforts that eventually paidoff.

Even with the dam under way and President Roosevelt authorizing $63 million for the job, the task was not done.

More money would be needed if the high dam was to be finished.

Sen. Dill, Rep. Leavy and later Sen. Warren G. Magnuson called on O'Sullivan to lead the lobbying effort in Washington, D.C. to get money for the dam.

"Jim always had the facts and figures and could convince even the toughest skeptics," Rep. Leavy said.

O'Sullivan turned his efforts to helping create the irrigation districts after the dam was well under way and was the first secretary manager on the Quincy-Columbia Basin Irrigation District.

The first power from the dam came on March 22, 1941.

Secretary of Interior Harold Ickes said a few years later, during the height of the war, that Grand Coulee Dam, once called Roosevelt's folly, turned out to be the government's best investment.

On Sept. 27, 1947, the big dam's strongest supporter was honored when another dam, that created Potholes Reservoir, was officially dedicated as O'Sullivan Dam.

A mix of dignitaries and common folk and even some of O'Sullivan's old opponents from Spokane were on hand to pay him tribute.

Few attending knew, however, that O'Sullivan was ill.

He died Feb. 15, 1949 in Spokane, one year to soon to see the first water put on the Columbia Basin Project at Pasco, water pumped from "the big" Grand Coulee Dam.

[From the Yakima Herald-Republic, July 10, 1983]

ELECTRICITY TURNS ON PROSPERITY

(By Peter Menzies)

In the early 1930s—a decade before the Grand Coulee Dam churned out its first kilowatt—the vision of a massive hydroelectric plant set in the desert of the Columbia Basin struck many as pure idiocy.

Michigan Congressman Roy O. Woodruff lambasted the proposed dam and powerplant as a "tragedy."

In an editorial of the day, the Bellingham Herald was awed not so much by the scope of the huge project, but by the "magnitude of its folly."

Of similar persuasion was New York Congressman Francis Culkin.

"The proposition of the Grand Coulee in my judgement is the most collosal fraud in the history of America," Culkin said. In the congressman's estimation, the Columbia Basin was "a vast area of gloomy tablelands interspersed with deep gullies" populated by "rattlesnakes, coyotes and rabbits."

"There is no market for the power and will not be for many years to come," Culkin said.

But the people of the Columbia Basin were unbowed. They envisioned the project transforming Central Washington into fertile farmland. And President Franklin Roosevelt saw the project as an opportunity to put thousands of Depression-era Americans back to work.

Back then, the generation of hydroelectric power was seen as a mere byproduct of the dam—a way to supply power for irrigating up to a million acres in the Columbia Basin and a means to paying off the cost of building the dam.

But today, 42 years after the first 108,000-kilowatt generator was fired up, the Grand Coulee is the largest supplier of hydroelectric power in the world.

Its three powerplants—the third came on line in 1980—have a capacity of 6.4 million kilowatts. (Currently, the second largest hydroelectric plant, the Krasnoyarsk in the USSR, has a capacity of 6 million kilowatts. The Itaipu dam in Brazil and Paraguay is expected to supercede both in capacity soon.)

Last year, the $1 billion dam-and-powerplant complex at Grande Coulee kicked out more than 23 billion kilowatt-hours—enough to meet all the electrical needs of the greater Yakima metropolitan area for the next 18 years.

But the full measure of the Coulee powerplant and its impact on the Northwest can't be taken in kilowatts.

The Grand Coulee and the complex of hydroelectric dams that have since sprung up along the Columbia River and its tributaries have helped shape not only the economy of the Columbia Basin, but the entire Northwest.

"The Grand Coulee was a triggering influence," says Gus Norwood, author of "Columbia River Power: For the People." "The construction of the Coulee dam alone was a tremendous influence in this region. It gave people hope. It helped the Northwest join the rest of the nation in a reasonably healthy growth."

The Grand Coulee and other Columbia River dams—the Grand Coulee was completed several years after the Booneville Dam came on in 1938—ushered in a new era of cheap electric power.

And the availability of that power transformed the Northwest economy "practically overnight," Norwood says.

The region had been an extractive economy dependent on mining, agriculture, forestry and fishing—all industries characterized by broad seasonal swings in employment, all susceptible to depressions, Norwood says.

"The saying was 'when the nation sneezed, the Northwest got pneumonia,'" Norwood says.

Then, in the early 1940s, came hydroelectric power from the Grand Coulee Dam, huge amounts of it. And it came at the onset of World War II, just as President Roosevelt was gearing the nation up to become the Arsenal of Democracy.

"The major development in the Northwest was the bringing of certain industries here as a result of World War II," says Sam Moment, a former economist with the Bonneville Power Administration.

President Roosevelt wanted planes and ships built, and that required aluminum, and aluminum requires huge quantities of power.

And as the Northwest had plenty of untapped electricity, the federal government rapidly moved in here, building along with Alcoa several aluminum plants in the region.

The impact was dramatic. In 1940, the Northwest produced a mere 2 percent of the nation's aluminium. Within a year, the region accounted for 22 percent of that production, and by 1945, a whopping 41 percent, says Paul Spies, a BPA economist.

Another industry that came to the region during the war was the atomic industry.

Attracted by the area's remoteness and the availability of huge amounts of electricity, the government built a secret atomics plant at Hanford in 1943.

The plant's purpose: to turn nonfissionable uranium 238 into fissionable plutonium—the stuff of atomic bombs.

And the making of plutonium, by bombarding the uranium with nuetrons, is a process that requires more electricity than even the manufacturing of aluminum, according to Allen Cullen, author of "Rivers in Harness."

Says Moment, "It was Coulee power that helped build the atomic bomb."

The aluminum and atomic industries, given birth by the availability of huge amounts of power here and the coming of World War II, have continued to expand, providing a tremendous impetus for the growth of the region's entire economy.

"The broader consequences (of Coulee) were that each industry it gave birth to supported a number of other jobs—a multiplier effect," Moment says.

Since the early 1940s, the region's population has more than doubled, from 3.5 million to about 7 million.

"That overall growth is above the national average," Norwood says. "During the 1940s, a million people came here. It was extraordinary."

And today, the economic impact of aluminum industry is still broadly felt.

Its 10 plants, owned by six different companies, make about a third of the nation's aluminum, employ some 12,000 highly-paid workers and directly pump about $1.5 billion into the region annually, Brent Wilcox of the Northwestern Aluminum Producers trade association says.

But even with the growth of the Northwest and the increased demand for electricity, the Grand Coulee still remains a giant among the region's power suppliers.

The plant provides about a third of the electricity generated by the 30 federal hydroelectric plants along the mighty Columbia River system. Those 30 dams in turn, whose power is marketed by the BPA, account for almost half the total power needs of the Northwest, BPA officials say.

And despite recent increases in the cost of power here (about 600 percent since the late 1970s) brought on in part by the failures of the Washington Public Power Supply System, the region still continues to enjoy cheap power.

Ed Mosey, a BPA spokesman, says Northwest consumers pay about 3 cents per kilowatt, still well below the national average of 6.8 cents.

Underscoring that cost advantage is a recent nationwide survey comparing the June rates of 60 utilities across the nation conducted by the Jacksonville (Fla.) Electric Authority.

Results: consumers of Seattle-City-Light electricity paid the least—$20.82 for 1000 kilowatt-hours; Con-Edison consumers shelled out the most $142.83.

And the outlook for rates in the Northwest, according to the BPA, is favorable. Ed Mosey says increases over the next decade should match inflation, not exceed it.

"Our projections are that rate increases are stablizing," he says. "Almost all of the WPPSS costs are already in our rates."

Norwood shares that appraisal.

"I think electricity prices will probably come in at or under inflation over the next 20 years. We have seen the big surge in prices," he says.

And continuing to contribute to that cheap power supply will be the Columbia Basin hydro-plants and the granddaddy of them all, the Grand Coulee.

"By and large this is a damn good hydro system. Not a single one will be out of commission after 40 years," Norwood says. "There's no reason the Grand Coulee, can't be here 500, a 1,000 years, from now."

TAXES

Mr. BAUCUS. Mr. President, during the past few months, two legislative events have had an especially significant impact on tax policy. First, Congress passed a budget requiring substantial revenue increases. Second, the Senate rejected a proposal to cap the third phase of the scheduled 3-year tax cut, a proposal that would have raised substantial revenue without disrupting economic recovery or imposing unfair tax burdens.

Now, it is possible that Congress will pass an omnibus tax bill. As a result, many Congressmen, interest group representatives, and tax experts have been describing revenue-raising options, ranging from establishing a consumption tax to limiting various tax expenditures. Some of these ideas probably have merit.

But we must proceed cautiously. We must avoid making premature changes that could have serious unforseen effects. Otherwise, we risk doing more harm than good.

Let me give two examples, each important to my State.

ESTATE TAXES

The first example is the estate tax. Ever since the estate tax was enacted in 1916, estates whose value falls below a certain amount have been exempt from it. Over the years, inflation ate away at the exemption, making it worth less and less. To correct this, in 1981 Congress enacted a gradual increase in the exempt amount, raising it from about $170,000 in 1981 to about $600,000 by 1986.

Recently, some people have proposed"freezing" the exempt amount at its current level—$275,000. This kind of freeze may sound relatively harmless. But it could have serious consequences for America's farmers, who frequently need large holdings to earn even modest incomes.

To put the exempt amount in perspective, a farmer would need 1,100 acres of $250-acre land to reach the current $275,000 exempt amount; in Montana, where the average family earns less than the national average, an average farm has 2,588 acres and the average acre is worth $254. To look at it another way, by 1988, a farm worth $500,000 would be subject to no estate tax under current law but to a $76,500 estate tax under the freeze. Thus, the freeze would impose significant burdens on even average-sized farms.

What is more, a freeze could not come at a worse time. America's farmers are reeling from the impact of high interest rates, the overvalued dollar, and giant worldwide commodity surpluses; last year, the average farm income in Montana was $32. A freeze might prevent some young farmers, taking over family farms, from fully recovering from the long, hard farm economy recession.

TIMBER CAPITAL GAINS

The second example is the capital gains treatment of timber. In 1943, Congress determined that the application of the tax rules then in effect "discriminated against taxpayers who dispose of timber by cutting it as compared with those who sell timber outright." (See S. Rept. 627, 78th Cong., 1st sess. 1 (1943)). To reduce this discrimination, Congress enacted what is now section 631 of the code, which provides that, in certain cases, income from the sale of standing timber may be taxed at capital gains rates, whether sold outright, harvested by the owner, or sold under a cutting contract.

Recently, some people have proposed repealing section 631. Repeal may sound relatively harmless, but it could have serious consequences for America's timbermen, the Nation's timber supply, and the availability of housing and countless other timber products.

Timber is very different from most other products or crops. It takes many, many years—in Montana, sometimes more than 100—to produce and harvest. Capital gains treatment compensates for this long growing cycle.

To the extent section 631 provides a special incentive to timber growing, it is one that has worked well. Statistics show that, after timber capital gains treatment was enacted, reforestation of timber resources increased dramatically; if timber capital gains treatment is repealed, reforestation might decline dramatically.

What is more, repeal would hurt an industry still smarting from the combined effects of high interest rates, worldwide recession, and unfair foreign imports. Indeed, it is hard to imagine any industry harder hit by recession than the timber industry. Today, the timber industry unemployment rate remains over 17 percent.

As we analyze where increased tax burdens should be imposed, it seems to me that we should be reluctant to

impose them on industries, such as the timber industry, that have already borne so many burdens during the recession.

CONCLUSION

Mr. President, the old saying "look before you leap" may apply to tax policy now. There is a tendency to look favorably at any proposal that raises revenue. But if we raise revenue, we must do so in the fairest possible way.

For my part, I will work hard to see that whatever bill passes does not unintentionally do more harm than good, especially regarding important issues like estate taxes and timber taxation.

THE SELECTION OF SENATOR WILLIAM S. COHEN AS THE 1983 WINNER OF THE L. MENDEL RIVERS AWARD FROM THE NON-COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA

Mr. TOWER. Mr. President, as a past recipient of the Non-Commissioned Officers Association's L. Mendel Rivers Award, and a member of that association, I am especially pleased that I have been asked to announce this year's selectee for that prestigious award. I am further delighted that this year's award winner is Senator BILL COHEN, one of our colleagues and a member of the Committee on Armed Services.

This important award is named in honor of the late L. Mendel Rivers of South Carolina, who was the chairman of the Armed Services Committee of the House of Representatives until his untimely death in 1970. Representative Rivers played a major role in bringing the recognition of the Congress to those whom he dearly loved—the men and women servicing in the Armed Forces of this great country. That love was not a one-way street and Mendel Rivers continues to be revered by service members, past and present.

In creating the L. Mendel Rivers Award, the NCOA agreed that it should be presented to a legislator who, in the opinion of the leader of the association, closely followed the ideals perpetuated by Congressman Rivers. These ideals included love of country, a dedication to the defense of its people, and a devotion to the well-being of the men and women who serve in the uniform of this country. The Members of the Senate who have been so honored in the past include our President pro tem, the Honorable STROM THURMOND, and my colleagues, the Honorable BOB DOLE, and the Honorable BILL ARMSTRONG.

The executive officers of the NCOA have asked that I announce to my colleagues that, for 1983, the Honorable WILLIAM S. COHEN, senior Senator from Maine is to be the recipient of this most prestigious L. Mendel Rivers Award. The award will be presented to Senator COHEN during the association's annual convention on July 16, 1983. In the resolution formally announcing this award, the association took special note of Senator COHEN's courageous support for a strong national defense predicated upon a combat ready force of trained and skilled professional service members armed with the modern and effective weapons needed to insure our defense. Furthermore, the association recognized BILL COHEN's consistent and active efforts to better quality-of-life programs which are necessary to properly reward our uniformed personnel for their voluntary service to our Nation and its citizens.

Mr. President, Senator COHEN has been a member of the Armed Services Committee for only a short time, but in that time he has established himself as a bright, hardworking legislator who is not afraid to attack difficult issues head on, even, or perhaps especially, when his position is opposite that of my own. He takes the time to learn the facts and has been instrumental in winning support on the floor for our essential effort to rebuild the U.S. Navy. His insight on airlift issues and on the necessity for a strong force projection capability for this Nation, especially for a strong U.S. Marine Corps, has been unparalleled.

BILL COHEN's has also been in the forefront of congressional efforts to improve pay and benefits for men and women in service. Only a few months after he came to the Senate and joined the Armed Services Committee, he was cited by the Congressional Quarterly as one of Congress leading advocates of the All-Volunteer Force.

He was the first Member of the Senate, in December of 1979, to propose reinstitution of GI bill education benefits for military personnel. His legislation providing forgiveness of student loans in exchange for military service has been successful in attracting college educated individuals to join our Active and Reserve Forces.

In the 98th Congress, Senator, COHEN introduced legislation providing for a targeted pay increase for members of our armed services. Elements of his proposal were incorporated into the pay provision of the fiscal year 1984 defense authorization bill.

I am proud to associate myself with him and with his statesmanlike performance in the U.S. Senate.

Mr. President, I join my colleagues and the members of my association in congratulating Senator COHEN. He is truly deserving of this high honor and I am comfortable knowing that he will continue to serve the ideals embodied in this distinctive recognition. I salute the NCOA in its selection and for the dedication and outstanding representation the NCOA affords its members before the U.S. Congress.

WHY WE NEED THE MX

Mr. HELMS. Mr. President, I support the MX intercontinental ballistic missile (ICBM) program. In the face of ruthless Soviet global expansionism and unprecedented Soviet military spending, the United States must summon the national will and resources to strengthen our capability to defend our precious heritage and our way of life.

Mr. President, real deterrence means the ability of this Republic to deny Soviet war objectives. Real deterrence is based upon the marshaling of our material and spiritual resources behind a sound strategy and building a sound and effective military force structure. The MX program proposed by President Reagan is an effective contribution to our national defense.

Senators need not be reminded that when negotiations on strategic arms control began back in 1969–70, the United States and the Soviet Union were in a situation of relative stability in terms of nuclear weapons. By that I mean that the land-based nuclear arsenal of neither side was placed at risk by the other. The United States did not have a hard-target kill capability against hardened Soviet targets. Our intercontinental nuclear missile force inventory included only Titans, Minuteman I, and Minuteman II missiles none of which had, or has, a hard-target kill capability. The Soviets' 200 single warhead SS–9 missiles were deployed against a U.S. target base of 1,200 hard targets. That is, 1,050 U.S. missiles, 100 launch control centers, and 50 other hard targets. The Soviet SS–9 missiles were designed to neutralize our Minuteman force by destroying the Minuteman launch control centers. We responded to this threat by going to an airborne launch mode which took away this Soviet advantage until the Soviets went to a multiple reentry vehicle (MIRV) capability.

After 14 years of so-called arms control negotiations, the situation today is one of gross strategic instability which favors the Soviets. This has resulted not only from the relentless buildup of Soviet nuclear missiles which have hard-target kill capability but also from the very agreements reached during the arms control negotiations which permit the Soviets the necessary qualitative and quantitative strategic inventory with which to put our deterrent at risk.

THE MAD WORLD

Our strategic missile forces have not been designed to destroy the strategic missile forces of the Soviet Union. Strange as this may seem, it is a fact. Why? The answer is that the false and

unsound doctrine of mutual assured destruction (MAD) which was conjured up in ivory tower think tanks such as the Rand Corp. entered into the Halls of Congress and the Pentagon.

This doctrine foolishly supposes that the military strategists and planners in the Soviet Union think precisely the same as those in the United States who have promoted the mutual assured destruction doctrine. Simply put, they assume that Soviet military strategists and planners are a mirror image believing in the fundamental concept of holding major population centers hostage to nuclear blackmail.

Central to their idea is the proposition that population centers be left undefended from nuclear attack. According to MAD advocates, if tens of millions of innocent civilians are held hostage in defending population centers this so-called balance of terror would assure stability.

Mr. President, I submit that this doctrine is immoral and that it imperils our national security. The doctrine is immoral because it is based upon the needless destruction of innocent civilian populations. It imperils our national security because it does not put at risk the sinews of the Soviet warfighting machine: Soviet nuclear missile installations, Soviet military installations, Soviet industry essential to war, and Soviet command and control installations both military and civilian.

THE REAL WORLD

Mr. President, it is a fact that the Soviet Union has never operated under the doctrine of mutual assured destruction. There is ample evidence to demonstrate this. It is a fact that the Soviet Union has designed its strategic missile forces to destroy our strategic missile forces.

Not only have the Soviets designed their strategic missile forces with the technical capabilities to destroy our strategic missile deterrent, the Soviets have oriented their strategic doctrine for employment toward preemption. There is ample evidence to demonstrate that the preferred Soviet doctrine for employment is preemption. By preemption, I mean launch on strategic warning during a crisis. This preferred employment doctrine has been in place for some 25 years. About 15 years ago, the Soviets added an additional employment doctrine, that of launch on tactical warning. Second strike for the Soviets is their least preferred employment doctrine which exists only as a last resort.

The Soviets have spent billions of rubles to develop their military capabilities across the board. They have been spending at least 16 percent of the GNP currently, as opposed to 12 percent in 1970, to develop their warfighting capabilities. We have been spending only 6 percent of our GNP on defense.

By 1965, the Soviet Union had a counterforce capability in Europe and in Asia with their SS-4 and SS-5 medium range ballistic missiles (MRBM). Now, the Soviets have deployed the SS-20 missiles which give them a capability against hardened targets in Europe and in Asia such as the French and Chinese missiles.

The Soviet Union has achieved a capability against hardened targets in these United States through the introduction of the latest models of their SS-17, SS-18, and SS-19 ICBM systems. The Soviets have tested two new models of ICBM's and will be testing two more models of ICBM's in the not too distant future.

I would call to the attention of Senators the fact that between 70 and 80 percent of the Soviet ICBM inventory has a hard target kill capability while we in these United States have only a minimal capability against hardened Soviet targets. Indeed, we have not had an across-the-board strategic modernizaton since 1965.

The Soviet Union has systematically hardened its key centers of military value. The Soviet Union has hardened not only its missile silos but also military and civilian command and control sites. The Soviet Union has developed its capabilities for evacuation and civil defense. The Soviet Union has a program to disperse a wide variety of economic and military assets.

Given these, and other, Soviet efforts, there are great asymmetries today in the targeting field between the United States and the Soviet Union. We, therefore, must do everything that we can to insure that we have a counterforce capability against the full array of Soviet hardened targets.

From a strategists and war planners' point of view, the United States offers a much easier target than does the Soviet Union. The U.S. target base that a Soviet war planner faces is only about half as large and half as hard as the target base that a U.S. planner confronts with the Soviet Union. For this reason, I repeat that we must do everything in our power to have a counterforce capability against the full array of Soviet targets in order to eliminate these great asymmetries in targeting and to regain strategic stability.

WHY WE NEED THE MX

Mr. President, as I noted earlier, the only way that we can achieve real deterrence is to develop the capabilities to deny Soviet war objectives by placing at risk the sinews of the Soviet war machine. This means that we need a capability against hardened Soviet military and military-related assets that are essential to the achievement of Soviet war aims.

Rather than having a capability to needlessly destroy civilian population centers and inessential industrial sites, we need to develop a truly effective counterforce capability against hardened Soviet targets.

Senators need not be reminded that under the leadership of Harold Brown, the previous administration changed our nuclear strategy. Presidential Directive 59 (PD-59) replaced the false and unsound mutual assured destruction doctrine with the realistic strategy of denying Soviet war aims. The Reagan administration has maintained this realistic strategy. The strategy is, therefore, bipartisan in nature.

Owing to the mutual assured destruction doctrine, however, our strategic force posture is not up to the job of putting Soviet warfighting capabilities at risk. Therefore, we need to develop our inventory of strategic assets to fit our new strategy and make it effective.

Our submarine launched ballistic missile (SLBM) force has little value against hardened Soviet targets. Why? These Poseiden missiles were purposely designed to minimize their accuracy in order to fit into the unsound MAD doctrine.

In my judgment, these Poseiden missiles must be updated as soon as possible with new stellar guidance equipment to improve their accuracy and hence their capability.

Our Minuteman III ICBM force, introduced in 1971, was also specifically designed to minimize its capability against hardened Soviet targets. Again, the design was adopted to fit the unsound MAD doctrine. Fortunately, our Minuteman ICBM force is being improved under the Minuteman III-A program. Nonetheless, we still must go forward with the MX program in order to provide our great Nation with a necessary capability against hardened Soviet targets. The MX program, we should note, will only partially replace the Minuteman inventory; but, such a replacement is absolutely essential for our deterrent capability.

We cannot rely on our strategic bomber force, which is 30 years old, to penetrate Soviet defenses and to kill hardened Soviet targets. We need to modernize this force.

It is essential to bear in mind that the Soviet Union did not have the technology for an effective defense against our strategic bomber forces during the 1960's and 1970's. Recognizing this, the Soviets have invested massive amounts of rubles to develop their air defense capabilities in order to deny our strategic bomber forces. The Soviets are deploying the SA-10 missile system. The Soviets have deployed the look-down/shoot-down Foxbat aircraft. The Soviets are working on the development of their own AWACS system. It is a fact that the Soviets want to make the 1980's the decade of their supremacy in air de-

fense so that they can deny our strategic bomber deterrent.

In the face of this massive Soviet effort in air defense, we can only hope that the new and yet unproven Stealth program can restore the viability of our strategic bomber deterrent.

Mr. President, as I stated earlier, after some 14 years of so-called arms control negotiations we are confronted with a situation of gross strategic instability. At the outset of these negotiations, neither side had the capability of destroying the hardened targets of the other side. The Soviets today have an arsenal of ICBM warheads 70 to 80 percent of which are designed for hard target kill. Some 2,000 of these warheads are on the SS-19 missiles which are heavy missiles by the spirit of U.S. unilateral declarations. It may be recalled that SALT I sought to prohibit the development of the SS-19 heavy missile system. The Soviets, however, ignored this intent and proceeded to deploy these heavy missiles. The United States has gone along with this Soviet program and treats these missiles as if they were in the light missile category. This head-in-the-sand approach, of course, does nothing to mitigate the very real threat that these heavy missiles pose to these United States.

Any weapons system that can destroy a hard target with two warheads is a very good system, whether Soviet or United States. The Soviets have designed their systems on a two warhead for one target basis. In order to have high assurance, however, the Soviets think in terms of a three warhead-for-one-target attack against our Minuteman. This is how they have sized their force. After an attack using three warheads for each U.S. target, the Soviets would have 1,400 warheads in reserve in their SS-18's and SS-19's.

Some critics of the MX call it a first strike weapon. They note its technical characteristics, such as high accuracy, which give the system a counterforce capability. They also point out a factor of vulnerability. As I have stated, we need a counterforce capability against Soviet hardened targets. I would point out that how a weapon is employed is determined by national policy and not by the technical characteristics of the weapon. Furthermore, as I noted before, the Soviets have been from the beginning in the preemption mode. That is, for some 25 years, launch on strategic warning during a crises has been the preferred Soviet doctrine of employment. About 15 years ago, the Soviets included launch on tactical warning as their No. 2 employment option with second strike only as a last resort. There is ample evidence to demonstrate this fact.

Some critics of the MX talk about a hair trigger response. For reasons that I just mentioned, by these critics own definition, it is the Soviets who by their launch on strategic warning during a crisis or by their launch on tactical warning doctrine are in a hair trigger doctrinal mode. Throughout this 25-year history of Soviet hair-trigger posture, the United States has maintained a second-strike posture and a second-strike capability.

If anything, the qualitative and quantitative Soviet buildup with its hard target kill capability and our unwillingness to defend our deterrent forces with ABM's is driving the United States to a launch on tactical warning posture as the only response available to us given the Soviet determination deny us our deterrent. I would point out that such a U.S. launch on tactical warning posture would be less hair-trigger than the preferred Soviet launch on strategic warning, or preemption, mode that they are already in and have been in for 25 years.

Some critics point to the vulnerability of the MX and propose that the United States build small single warhead missiles, so-called Midgetman, instead. They contend that these would be less vulnerable. First of all, the only way to protect land based missiles is to build harder silos for them or to build ABM systems for them or both. Building harder silos is difficult because the silos themselves can be hardened but the missiles inside may not be as hard as their silos. For a single warhead missile, it is difficult to find a basing mode more survivable than silos unless there is a large number of multiple silo sites for each one or unless an ABM system is provided. Within the SALT II constraints, taking into account Soviet missile throwweight and SLBM MIRV limits, there is no feasible way to provide more survivable basing modes.

Some critics assert that the MX with its 10 warheads would be a more attractive target for the Soviets than the Minuteman with its 3 warheads. In this regard, let me just state the following fact. There is ample evidence to demonstrate that the Soviets target all, let me repeat, all U.S. missiles, warheads, weapons storage areas, and our National Command Authority. The Soviet inventory contains enough warheads to put 3 warheads on each U.S. target with about 1,400 warheads left in reserve in SS-18 and SS-19 missiles alone. The attractiveness assertion is irrelevant in the face of the facts of Soviet war planning and in the face of the composition and structure of the Soviet strategic nuclear arsenal.

As for the proposal to build the Midgetman itself, either in addition to or instead of the MX, I would point out that such a system could be designed to be just as accurate and just as effective as an MX. Of course, the proposed Midgetman would have only one warhead and therefore it would be much more expensive to develop the numbers of required Midgetmans to give the same hard-target efficiency as a multiwarhead MX. Leaving this latter point aside, because the Midgetman could be designed to be as accurate and as effective as an MX it would have the counterforce capability which the critics of MX decry.

Proponents of such a missile system also suggest that it could be made mobile and therefore less vulnerable to attack. But let us look at the facts. There are very few areas in these United States on public lands with dimensions of 10 miles by 10 miles square that some proponents suggest is appropriate to their scheme. These sites would be on large military areas of which there are perhaps two or three. The proponents of mobile basing across a large area such as this assert that the missile can be moved from one section of the area to another and thereby avoid destruction. That is, proponents of such a scheme assert that mobile missiles would be less vulnerable. If we carefully examine this assertion, we will find that the mobile missiles would be just as vulnerable to Soviet attack as those in fixed silos. Why? Simply because the Soviets could launch a "cookie-cutter" type barrage which would cover the entire area and devastate anything within its boundaries. So much for the invulnerability of mobile missiles. I would point out that the Soviets could do this type of barrage attack in an affordable manner within the SALT II constraints.

Some critics of the MX assert that should the MX be built and deployed, the Soviets could then move their submarine launched ballistic missiles (SLBM) closer to the U.S. coastline to be within 10 minutes flight time to U.S. targets. The United States, it is argued, would then have to be prepared to launch our missiles faster and this would encourage a hair-trigger response on our part. I would point out that no Soviet SLBM has a hard target capability. They, therefore, would not be effective against hardened U.S. silos. As a matter of fact, the Soviets are endeavoring to change the composition of their SLBM force. They are replacing their SSN-6 missiles with missiles having ICBM ranges such as the SSN-8, the SSN-18, and the SSN-20. This gives the Soviets a standoff capability which is in line with their objective of obtaining a large secure reserve force of nuclear missiles.

I would also point out, in this area, that the mere fact of the Soviets moving in close to our shores to achieve a 10-minute flight time for their SLBM's to U.S. targets would greatly increase the likelihood of their detection as well as their vulnerability to U.S. attack. The Soviets, of course,

wish to avoid detection and seek to minimize the vulnerability of their SLBM force. For this reason, they are developing the long range SLBM's that I noted above and for this reason they seek a standoff capability.

Let us be frank. Long-term Soviet planning in the SLBM field is unrelated to the issue of the development and deployment of the MX missile. Additionally, any so-called hair-trigger response on our part is an irrelevant point because, as I have noted before, the Soviets have been in a launch on strategic warning mode as their preferred employment option for over 25 years and some 15 years ago included a launch on tactical warning as their second option.

Mr. President, let me say in conclusion, that while we have finally adopted a realistic deterrence strategy, in a bipartisan manner, we do not yet have the strategic force posture with which to implement this new strategy. The Soviet Union has designed and built its strategic missile forces to destroy our strategic deterrent. We must develop our strategic missile force in order to achieve real deterrence by having the capability to put at risk the sinews of the Soviet war machine and so to deny the masters of the Kremlin their war objectives.

Mr. President, the MX program provides these United States with a capability against hardened Soviet targets. The MX is a system that we need to break out of the weapons inventory which was bequeathed to us by the assured destructionists. The MX program helps to provide the capability that our new and realistic strategic doctrine requires, and I strongly urge my colleagues to support this vital program.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 161: Resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 771.

S. Res. 165: Resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 2733.

S. Res. 166: Resolution waiving sections 303(a) and 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1529.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. EAGLETON (for himself and Mr. MATHIAS):

S. 1625. A bill to amend the District of Columbia Retirement Reform Act; to the Committee on Governmental Affairs.

By Mr. SASSER:

S. 1626. A bill relating to universal telephone service; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (for himself, Mr. BOREN and Mr. WALLOP):

S. 1627. A bill to amend section (1)(f)(3) of the Internal Revenue Code and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1628. A bill to authorize the Secretary of the Army to maintain and rehabilitate the New York State Barge Canal and for other purposes; to the Committee on Environment and Public Works.

By Mr. RIEGLE (for himself and Mr. BURDICK):

S.J. Res. 132. Joint resolution to designate the week beginning August 7, 1983, as "National Correctional Officers Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PRESSLER:

S. Res. 175. Resolution relating to Long-term Grain Agreements; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EAGLETON (for himself and Mr. MATHIAS):

S. 1625. A bill to amend the District of Columbia Retirement Reform Act; to the Committee on Governmental Affairs.

CHANGE IN FORMULA RELATIVE TO DISABILITY RETIREMENTS

● Mr. EAGLETON. Mr. President, on behalf of myself and Senator MATHIAS, I introduce a bill today which makes some necessary and highly technical changes in a provision of the District of Columbia Retirement Reform Act, Public Law 96-122, which Congress approved in November 1979.

The Retirement Reform Act established separate retirement funds for District of Columbia police officers and firefighters, for District teachers, and for District judges, required that the funds be managed on an actuarially sound basis, and established a Retirement Board to manage the funds.

At my insistence, the act also contained a section which sought to bring under control what I perceived at that time to be excessively large numbers of District firefighters and police officers retiring on disability pensions.

For example, in 1967, 185, or 92 percent, of the 201 firefighters and police officers retiring in the District retired on disability. In 1968, the figure was 244 out of 254, or 96 percent. In 1969, the figure was 237 out of 241, or 98 percent. It is clear why I was concerned.

To control the situation, subsection 145(a) of the Retirement Reform Act established a trigger mechanism, whereby the annual Federal payment of $34.1 million to the city's police officer and firefighters retirement fund would be reduced if the annual disability rate exceeded an amount determined by a complex actuarial formula. The Federal contribution would not be reduced if the disability rate reflected a reasonable number of disability retirements.

After 3 years of experience with the trigger mechanism, we have concluded that the formula triggering the reduction in the Federal contribution is complicated, may unfairly penalize the city, is expensive to calculate, and does not directly contribute to reducing disability retirements. Also, during the 3 years the law has been in operation, the District itself has made substantial progress in bringing disability retirements under control.

In 1979, the Public Law 96-122 passed, only 18, or 14 percent, of 128 District fire fighters and police retirees were retired on disability. In 1980, the figure was 34 of 481, or 7 percent; in 1981, the number was 26 out of 52, or 50 percent; in 1982, the figure was 16 out of 29, or 55 percent.

The 1981 and 1982 percentages are important because they illustrate that while the actual number of disability retirements is reasonable, the percentage of disability retirements will be high if the actual number of overall retirements is low. Consequently, because of the way the formula is now calculated, the possibility arises that the city might lose part of the Federal contribution to the city's retirement fund, even though the police and fire fighter disability rate is reasonable. That is exactly what has happened. With only 16 disability retirements in 1982, the trigger went off, and the city now stands to lose $8.04 million of the $34.1 million the Federal Government must contribute to the police and fire fighters retirement fund for fiscal year 1983.

During the October 1979, conference on the legislation, I stated that "if this [trigger mechanism] proves to be so harsh and so restrictive and so unworkable, then * * * there will be legislation in the ensuing years * * * and I would have to say, 'I guess that wasn't very good, we will have to devise another new one.'"

Mr. President, I am here today to introduce the new one. The changes have been made not only at the recommendation of the city and the District of Columbia Retirement Board, but also at the recommendation of the enrolled actuaries and the General Accounting Office, which oversees and participates in the operation of the District's retirement funds. The GAO, in fact, has been instrumental in draft-

ing this bill because of the highly technical nature of the formula.

In essence, the new formula will simplify the process and be easier to calculate—I do not say "easy," because anyone who reads the bill will still find the formula complicated and technical. Most important, however, the new formula will be more equitable to the District. Under the new formula, in any given year, the city would have to have 42 police and firefighters retire on disability to trigger the reduction in the Federal contribution, The statistics from the last few years indicate that the city's police and firefighters' disability retirements are running well below that figure. If the city continues to keep its disability rate under control—and I am optimistic that that will be the case, then the trigger under this new, simplified formula, should never go off.

As an additional protection to the city, however, we have made provision for a catastrophic occurrence. Should the city retire on disability a substantial number of its police officers or fire-fighters in any 1 year due to an unforeseen catastrophe, such as a major flood, fire, or civil disorder, it is conceivable that the actual number of disabilities could exceed 42. In that case, we have provided for a review of the situation by the Federal Emergency Management Agency. Should FEMA certify that the catastrophe directly accounted for a given number of disabilities, those catastrophic disabilities would not count toward the formula which sets off the trigger.

Mr. President, Senator MATHIAS and I are convinced that the city needs this bill. The actuaries involved in the process, the General Accounting Office, the city, and the Retirement Board have made a solid case for the changes now proposed. Our colleagues in the House who deal with the District have already reviewed a draft of this bill and also agree that this proposed legislation is necessary. Since the legislation deals with a highly technical matter of interest to a limited few, I urge my colleagues to move this measure expeditiously. I am hopeful that we can enact the legislation before the end of the fiscal year so that the District is not penalized becaused of a formula which we all agree must be changed.●

By Mr. SASSER:

S. 1626. A bill relating to universal telephone service; to the Committee on Commerce, Science, and Transportation.

UNIVERSAL TELEPHONE SERVICE

● Mr. SASSER. Mr. President, on behalf of myself, Senator STAFFORD, Senator FORD, and Senator BINGAMAN, I am today introducing legislation to address the issue of local telephone rate increases.

States across the country are facing requests for tremendous increases in telephone rates. In my own State of Tennessee, South Central Bell has asked for a $280 million increase. This would mean in many cases a doubling of phone bills. In Texas, Southwest Bell is asking for over $1 billion in rate hikes. There is a $233 million increase pending in Missouri. Nationwide, as of May, some $4.5 billion in rate increases were pending. And the amount has continued to increase.

There are several reasons behind these requests. One is the tremendous surge in the pace of technology. The state of the art today is passé in 4 or 5 years. In the phrase used to describe space technology: "If it works it is obsolete." Telephone companies, faced with the need to constantly upgrade their equipment, have included modernization of equipment as a large portion of the rate increase requests.

A second issue, related to technology, is the desire of the phone companies to depreciate their equipment at a faster pace. The Federal Communications Commission has issued a rule that under divestiture equipment will be depreciated at a national average. This, however, fails to take into account local conditions and needs. While phone companies must, of course, respond to expanding technology the exact rate of depreciation can best be set by State officials reflecting local situations.

A third part of the rate increases requests is due to the Federal Communications Commission's decision last year that an access charge for the cost of linking local with long-distance service would be placed on the local customer—whether or not they ever make a long-distance call. The goal of the FCC rule—to remove incentives to bypass the telephone system—is laudable. In attempting to solve one problem, however, the FCC has accentuated another—the cost of phone service to the local customer.

One of the basic tenets of our national telecommunications policy has always been universal service at affordable rates. And we have always achieved both, and in the bargain, developed the finest telephone system in the world.

The AT&T divestiture case and the resulting FCC rules have called into question the affordability of that service. It is plain fact that residential service has always been, in effect, subsidized by higher profit services—such as long distance. In the new, unregulated world of telecommunications that will exist after next January, much of the cost of residential and small business service will be borne by those customers.

I think it would be foolish of us to think that we can deal with all the side issues of divestiture without considering their impact on our basic national policy. If we wish to maintain "universal service at affordable rates" then we must honestly admit that a mechanism must be found to offset the high costs of residential service. Most of the legislation which has been introduced so far has "capped" phone rates at some percentage of the national rate—110 or 115 percent.

The underlying question remains to be addressed, however—110 percent of what? We can put a phone into virtually every house in this country. The question is: Will anybody be able to afford to pick it up?

Mr. President, I am under no illusion that my bill, or indeed any bill, is a panacea for the problem of increased phone rates. Phone rates will go up whatever Congress does. What we can do is to mitigate those increases and to reverse agency decisions which have the effect of undoing our national telephone policy of universal service at affordable rates.

I have developed this legislation at the request of the Tennessee Public Service Commission. It addresses the major concerns they have raised. I am sure that if my colleagues will check with the utilities officials in their States they will find the same problems.

There are, of course, others. My colleagues, Senator PACKWOOD and Senator STEVENS have also introduced legislation. The Commerce Committee will soon be holding hearings on this legislation where the issues will be thoroughly explored. My bill offers certain approaches which, I believe, need to be considered in the context of any comprehensive bill. Specifically, my bill will:

Delay the implementation of "access charges"—the cost to local telephone companies of linking up with long-distance services—for 1 year;

Provide that rates of depreciation on equipment owned by telephone companies be regulated on a State, rather than national, basis so that such rates reflect local economic conditions; and

Prohibit long-distance communications carriers from bypassing local telephone companies, so that local companies have adequate sources of revenue—not just residential user charges—with which to operate.

This measure is intended to complement, not supplant, the half-dozen measures affecting telephone rates which have already been introduced in Congress. Certain aspects of my bill may require refinement and amendment as it is discussed and considered. The point is we have little time to act. The fact that a landmark piece of litigation was settled through a consent agreement will provide little solace next year when the average American household will have to pay $5, $10, $15 or more each month for telephones,

but experience no improvement or increase in service.

I look forward to working with the Commerce Committee as we grapple with these issues. And I trust that the committee's hearings will result in early legislation.

Mr. President, the AT&T divestitute case has prompted an enormous amount of editorial comment and coverage both in Tennessee and throughout the Nation. I ask unanimous consent that a sampling of these newsclippings be inserted in the RECORD at the conclusion of my remarks.

I also ask unanimous consent that the text of my legislation be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

DEFINITIONS

SEC. 2. Section 153 of the Communications Act of 1934 is amended by adding at the end thereof the following:

"(hh) 'Exchange access' means the provision of facilities and services for the origination or termination of interexchange communication, and shall include the provision of circuits terminating at the premises of a customer.

"(ii) 'Exchange area' means the area within which telephone exchange service is provided, except that (1) an exchange area may not include an entire State, and (2) an exchange area that includes any part or all of any standard metropolitan statistical area may not include any substantial part of any other standard metropolitan statistical area.

"(jj) 'Exchange carrier' and 'exchange common carrier' means a carrier that provides telephone exchange service on a universal basis.

"(kk) 'Interexchange carrier' means a carrier or other person that provides interexchange service.

"(ll) 'Interexchange service' means communication service provided among points in more than one exchange area.".

ACCESS CHARGES

SEC. 3. Section 221 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(e)(2) The Commission shall establish a system of charges to compensate exchange common carriers for exchange access, and to reform the system of jurisdictional separation of property and expenses in force on the date of the enactment of this subsection.

"(A) The Commission shall, by regulation, ascertain and apportion the costs incurred by exchange carriers to provide exchange access. Such regulation shall be prescribed in accordance with section 410(c) of this Act, and shall provide for the ascertainment and apportionment of the costs of exchange access between exchange service and interexchange service in a manner that ensures the universal availability of reliable and efficient basic communications service at reasonable rates.

"(B) In ascertaining and apportioning the costs of exchange access under such regulation, the Commission shall ensure that the costs of non-traffic-sensitive facilities used to provide exchange access are allocated to interexchange service in an ratio no less than that which would be determined on the basis of the relative use of such facilities for interexchange service, in accordance with the methodology in effect on December 1, 1982. The Commission shall establish uniform practices that ensure that the costs allocated to interexchange service under this subsection are recovered from interexchange carriers and customers of interexchange services.".

CUSTOMER PREMISES EQUIPMENT

SEC. 4. The Communications Act of 1934 is amended by inserting after Section 224 the following new section:

"TELECOMMUNICATIONS COMPETITION

"SEC. 225. (a) Any exchange carrier shall retain any terminal equipment which it provided on December 31, 1982, which equipment shall continue to be made available to customers under tariffs in force as of such date, until such equipment is removed from service in accordance with schedules in effect on the effective date of this section, except that—

"(1) State commissions shall permit increases in such tariffs to reflect any reasonable increases in the costs of providing such equipment; and

"(2) such customer may purchase such equipment from such carrier at any time for a price fixed by the State commission involved after considering the value of such equipment.

"(b) Any exchange carrier may offer terminal equipment not designated in subsection (a) to the public at any time after January 1, 1984, if such equipment (1) is manufactured by unaffiliated persons; and (2) is offered through a separate subsidiary which (A) ensures that no cost of participating in the market for such equipment is borne by the users of exchange services or exchange access: (B) prevents any anticompetitive practice between such market and the offering of exchange services or exchange access; and (C) meets such other requirements as the Commission shall establish by rule.".

BYPASS PROHIBITED

SEC. 5. Section 221 of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"(f) In the administration of this Act, the Commission shall issue such rules and regulations as may be necessary to assure that all telecommunciations services provided by an interexchange carrier certified by the Commission shall originate and terminate over the facilities of a local exchange common carrier.".

STATE JURISDICTION

SEC. 6. Section 221 of the communications Act of 1934 is amended by adding at the end thereof the following new sections:

"(g) In the administration of this Act the Commission shall have no jurisdiction with respect to the regulation by any State of depreciation rates for telephone equipment used for the provision of intrastate telephone service.

"(h) Notwithstanding any other provision of law, the States shall have exclusive jurisdiction over the provision of instrastate telecommunication services which shall include all telecommunications which both originate and terminate within a single State regardless of the manner or route by which said telecommunications are transmitted.".

[Memphis (Tenn.) Press-Scimitar, July 12, 1983]

BELL'S RATE REQUEST DRAWS GROUP'S FIRE

The chairman of the Tennessee Public Service Commission and the activist group ACORN today lashed out at the request by South Central Bell for a record setting 128 percent increase in phone rates.

Keith Bissell, PSC chairman, is fighting mad at the "federal regulations, Justice Department bureaucrats and the federal courts" he says are responsible for the huge rate increase being sought.

He called the $280 million increase request "outrageous" and charged that it is "the most diabolical ripoff of the Tennessee consumer I have witnessed in my 17 years of public service."

Officials at ACORN, the Association of Community Organization for Reform Now, say they will mount a massive petition drive to persuade the PSC to deny Bell's requested increase.

"We realize that some type of additional revenue may be needed by the phone company, but a jump of 128 percent is ridiculous," said Anna Whalley, a spokesperson for ACORN. "This will put a tremendous burden on low- and moderate-income people, particularly elderly people, and we plan to fight it."

She added that ACORN believes phone company officials are using the AT&T breakup "largely as an excuse for rate increases they had planned anyway."

She said ACORN already has written the PSC urging it to hold a public hearing in Memphis on the Bell proposal.

Bissell is scheduled to take part in meetings of the Organization for the Protection and Advancement of Small Telephone Companies, which opened a three-day meeting today in Memphis. Leaders of the organization also have attached the Justice Department for engineering the breakup.

Bissell said the potential for the "astronomical increases" was created "when the federal bureaucrats and federal judges ordered the breakup of the marriage between Bell Telephone and American Telephone and Telegraph, and when the Federal Communications Commission started preempting state regulatory authority in the name of deregulation.

"Nearly two-thirds of the rate request filed by South Central Bell can be attributed to divestiture and FCC decisions on such things as access charges and depreciation rates," he said. "The only hope we have in blocking these increases is to encourage Congress to act immediately to give the people of Tennessee and the rest of the nation some relief from these federal decisions."

[From the Memphis Commercial Appeal, July 13, 1983]

CONGRESS TO WEIGH STATE'S PHONE WOES

WASHINGTON.—This session of Congress will address the causes behind the kinds of rate increases in basic telephone service being sought in Tennessee from customers of South Central Bell, according to the leadership of both houses.

Their predictions came yesterday as the three-member Tennessee Public Service Commission joined regulators from other states in making the rounds of home-state delegations on Capitol Hill, where rate-hike requests growing out of the impending breakup of American Telephone & Telegraph Co. have increased the pressure for legislative relief.

The calls on Congress by state regulators also come in the wake of last Friday's request for a $279.9 million rate increase by South Central Bell effective next January. Although the company puts the proposed hike at 128 percent, Tennessee PSC officials say it's closer to 150 percent by the group's reckoning. This figure only includes basic, local telephone service and does not count in equipment, long-distance rates or "access fees" to reach AT&T's long-distance service, whether customers use it or not.

In a meeting with Sen. Jim Sasser (D-Tenn.), state PSC Chairman Keith Bissell said the panel would do what it could "to keep this astronomical rate increase from taking effect." But he and others with the commission cautioned that state regulators can ony address about 40 percent of the request, the remaining 60 percent has been set in place by the consent decree on the AT&T divestiture given conditional approval by a federal judge last Friday and by the actions of the Federal Communications Commission.

Sasser already has said he will introduce a bill to postpone the FCC's long-distance "access fee" and to permit long-distance rates to continue subsidizing local service until a better system can be worked out.

The commission members also met with Sen. Howard Baker (R-Tenn.), who gave the group his assurance as majority leader that the Senate will act soon.

The Sasser bill is expected to be "piggybacked" onto legislation to be introduced tomorrow or Friday by Sen. Robert Packwood (R-Ore.), chairman of the Senate Commerce Committee.

Rep. Albert Gore, Jr. (Tenn.), a member of the energy and commerce telecommunications subcommittee, said yesterday in Memphis he will introduce legislation today that would enable South Central Bell to forgo a "substantial part" of the rate increases it is requesting.

Gore said his measure would require companies that provide long-distance service to continue to pay local telephone companies for using the equipment. Because of the dismantling of American Telephone & Telegraph, Gore said, firms providing long-distance service would not pay local telephone systems for the service.

[From the Memphis Press-Scimitar, July 13, 1983]

AT&T Breakup Hides Zap for Public

The American public is being hoodwinked if it believes the breakup of American Telephone and Telegraph is in its best interest, the leaders of an organization of independent telephone companies contend.

Furthermore, they say, big business will be the only group to benefit, while the little guy gets a royal shellacking.

The association, the Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO), opened its annual meeting today in Memphis, the city in which it was founded 20 years ago. Nearly 500 people are expected for the three-day meeting.

The real impact of the breakup on consumers won't be felt until January 1984, after they receive their first bills under the new system.

"It won't be obvious 'til it's so far down the road you can't possibly put Humpty-Dumpty together again," said Evan Copsey past president of the group, before the start of the three-day gathering. Copsey is president of the Bourbeuse Telephone and Fidelity Telephone companies in Sullivan, Mo.

"The shifting of costs to the resident subscriber is a ripoff," he said. "The Fortune 500 companies win; the little old ladies, and 95 percent of the customers, lose."

That there will be higher phone bills isn't exactly new—Bell has been saying for months that costs will go up. Last week, South Central Bell made good on the warning by filing a request with the Tennessee Public Service Commission for a $279.7 million increase in rates.

Copsey said he doesn't blame the local operating companies for seeking increases; they only are attempting to recoup losses that will be incurred by the AT&T breakup.

He said he believes the AT&T breakup was engineered by "some banty rooster (in the U.S. Department of Justice) who wanted to make a name for himself."

The blueprint for the breakup was set out in a 159-page opinion approved last week by U.S. District Judge Harold H. Greene. All though the settlement had been approved last year, Greene had been sorting out details of how to go about dividing more than $152 billion in company assets while maintaining telephone service for the nation.

Though long-distance rates generally are expected to decline as a result of the breakup, additional charges of which few people are aware will be tacked onto a typical phone bill, said Ken Lein, current OPASTCO president. Lein is manager of the Winnebago Co-Op Telephone Association in Lake Mills, Iowa.

"We're going to catch more heck," he said. "We've got a public relations problem here of a magnitude we've never had before."

What will catch most phone customers unaware are "access" charges, he said. These are fees to access the long-distance network that will be tacked onto bills for interstate and instrastate calls, in addition to the basic long-distance rate.

"The Federal Communications Commission (which regulates interstate service) has said that the phone companies will collect from the subscriber a minimum of $4 per line per month," Lein said. "These replace dollars that currently flow from rates of interstate toll calls. That $4 probably represents something in the range of 40 percent of non-traffic sensitive costs (such as cables, telephone poles, manholes, the line drop from poles to a house).

"At the end of the five-year (breakup) period, all these costs would be shifted to the end user," he said. In other words, since the $4 represents about 40 percent of the total costs, the remaining 600 percent will have to be tacked onto phone bills over the five year break-up period.

"And that's only interstate," Lein said. "You've got much the same costs on the state side."

The state PSC has yet to approve an access charge for Tennessee, but it is expected to be about $4.

Lein said the typical phone bill starting next year would contain six or eight elements: service charges, rent on equipment, interstate access toll, intrastate access toll, long-distance charges, repair charges, etc.

"Nobody has any idea what will happen Jan. 1," he said.

[From the Washington Post, June 3, 1983]

Judge Criticizes FCC for Role in AT&T Breakup

(By Michael Schrage)

The federal judge supervising the massive reorganization of the American Telephone & Telegraph Co. sharply criticized the Federal Communications Commission, saying it was "taking advantage of the divestiture" with policies that will boost the cost of local telephone service.

U.S. District Judge Harold Greene said yesterday that a December FCC ruling requiring consumers to pay an additional "access fee" for long-distance calls "jeopardizes the plan of reorganization." He added, "It is not at all clear why the FCC is working at odds with the divestiture agreement."

Conducting what is expected to be the final hearing before he rules on AT&T's reorganization plan, Greene heard testimony by top Bell System officials and opponents of the AT&T plan on how the company should ultimately be restructured.

In January 1982, AT&T agreed to divest itself of its 22 local operating companies as part of an antitrust settlement with the Department of Justice, which had accused the company of having an illegal monopoly in telecommunications. As part of the settlement, a newly reconstituted AT&T would be allowed to continue its long-distance, research and manufacturing operations, as well as compete in new markets, such as advanced data communications services and computer technology. However, it would no longer be permitted to provide local phone service.

The local operating companies would be reorganized into seven independent regional operating groups that would provide local service and also be able to sell phones to their customers.

Since the consent decree, AT&T and the Justice Department have been working out the details of the reorganization, which will go into effect Jan. 1, 1984, pending final approval by Greene.

Perhaps the most difficult aspect of the divestiture is allocating the costs of telephone service as the Bell System network is transformed from an integrated monoply to a player in a competitive marketplace.

The long-distance access fees relate to the cost of altering local phone systems to handle multiple long-distance services, including AT&T Long Lines and such competitors as MCI Communications Corp. and Western Union's Metrotone.

In the divestiture agreement, Greene said, the costs were to be borne by long-distance carriers. Now, says Greene, "There is a shift in the FCC definition of access fees from carrier-based to consumer-based." The FCC plan could add up to $100 a year to a local telephone bill by 1986, industry observers say.

The commission's move reflects its philosphy of "cost-based" pricing. Historically, the cost of telephone service in this country has been kept low through a network of financial cross-subsidies as elaborate as the phone network itself. With divestiture, say industry sources, the commission is attempting to eliminate these cross-subsidies and have the price of phone service reflect its true cost. Many studies estimate that the cost of local phone service could quadruple over the next five years.

However, Greene stated that "universal" telephone service and access is national policy and that his decisions about the future structure of AT&T would be made with that in mind. It isn't clear how he could affect the FCC's decision.

"It is very likely that, in the event of a conflict between the FCC and the consent decree, Judge Greene may have to give way," said Philip Verveer, a telecommunications attorney and former chief of the FCC's common carrier bureau.

Several Bell System officials testified that their local companies are prepared to redesign their telephone "loops" for equal access to non-AT&T long-distance services but want their costs subsidized both by the carriers—including AT&T—and consumers.

However, the court heard differing views as to whether the operating companies, once divested, should have to contribute to any fines or penalties should AT&T lose any pending antitrust suits. Zane Barnes of Southwestern Bell argued that the operating companies should be freed of any such "contingent liabilities," while William Weiss of Illinois Bell said his regional operating group would be willing to share the burden.

Greene was also told by the Bell regional operating company officers that their companies, rather than AT&T, should be allowed to use the famous Bell logo and name as part of promotional and marketing efforts. A lawyer for Tandy Corp., a Texas-based computer and consumer telephone company, argued that it would be "false advertising" if the Bell logo were used to create the illusion that AT&T and its divested operating companies were related.

Under the existing plan, both AT&T and its operating companies may use the Bell name so long as it is tagged with the appropriate "geographic modifier," such as Illinois Bell or New England Bell.

[From the Wall Street Journal, May 9, 1983]

AT&T Accord Altered on Long-Distance Access to Local Areas

Washington.—At a federal judge's request, American Telephone & Telegraph Co.'s local telephone companies agreed to give long-distance carriers limited access to local telephone exchanges on calls within local calling areas.

Under the consent agreement setting the Justice Department's antitrust suit against AT&T, the local companies, which AT&T is to divest, must grant all long-distance carriers equal access to local exchanges on calls beyond defined local calling areas.

At the request of Judge Harold Greene, who is overseeing the settlement, the companies agreed to extend that requirement to calls over relatively long distances within their local areas. But they insisted on one difference: They plan to allow phone subscribers to have all their calls between local areas routed through a selected long-distance carrier, such as AT&T or MCI Communications Corp., without additional dialing. But to have such companies carry their calls within a local area, subscribers would have to dial four extra digits.

This gives the local companies an advantage in competing for business within their areas, but they argued that to do otherwise would put them at a disadvantage and would cost about $5 billion.

The AT&T consent agreement bars the local companies from carrying calls between local calling areas. They contended, in papers filed with Judge Greene, that granting the long-distance companies, local-calling access equal to that of the local companies would allow them to use their long-distance services as leverage to take business away from the local companies.

The local companies said it would cost about $5 billion to restructure their networks to guarantee long-distance carriers access to calls within the local areas that is the same as the local companies access. They also said this would "disrupt network efficiencies and otherwise have potentially irreparable impacts" on the local companies.

AT&T and the local companies also responded, in court papers, to the judge's recent protest against the Federal Communications Commission's approval of a local-telephone rate increase to cover costs of connecting subscribers to long-distance carriers.

AT&T agreed that its breakup couldn't be blamed for raising local rates. Instead, it said that introducing competition into telephone services made higher local subscription rates necessary, to cover the cost of connecting each subscriber to the network. Because this cost doesn't depend on how much the line is used, AT&T argued, it makes little economic sense to charge a usage-based fee.

The operating companies buttressed this argument with findings by the National Telecommunications and Information Administration, a unit of the commerce Department; by economist Alfred Kahn, chairman of former President Carter's Council on Wage and Price Stability, and by Rand Corp., a research institute.

AT&T and the local companies also warned that failure to pass costs on to local subscribers would keep long-distance costs high enough that companies that make large numbers of long-distance calls would bypass local phone networks and use their own systems, robbing the networks of a major revenue source.

Separately, AT&T asked the Federal Communications Commission to streamline regulation of international private carriers of voice and data traffic. In particular, AT&T asked that new tariffs for international services be put into effect on 14 days notice rather than the current 90 days.

[From the Washington Post, May 15, 1983]

Telephone Industry Shifting Burden Toward Consumers—Most of $4 Billion in New Requests Aimed at Residential Users

(By Merrill Brown)

New York.—The American public faces the prospect of billions of dollars in local telephone rate increases as phone companies attempt to shift a greater share of their costs to consumers.

American Telephone & Telegraph Co. subsidiaries alone have pending before state regulators applications for rate increases totaling more than $4 billion, of which $3.5 billion is aimed at residential subscribers.

To some extent, the rate applications reflect the approaching independence of those subsidiaries, which will lose the financial support of the Bell System following the breakup required by the AT&T antitrust case settlement. But for the most part, the rate activity stems from industry efforts begun a decade ago to restructure tariffs.

Thus, with increasing frequency, independent telephone companies as well as Bell subsidiaries are asking state regulators to authorize higher rates for local residential service. According to AT&T, the average one-line, monthly rotary phone rate will rise to $11.18 this year, up $1 from last year and up from $7.32 in 1975.

"The program may not be any bigger and the awards necessarily bigger than what they've been in the past, but what is different is where the money is being obtained," said Charles R. Jones, an AT&T assistant vice president.

Until the last two years, Jones explained, most increases were assessed to equipment and business users. "It's shifting to consumers," he added.

Meanwhile, increasing competition and dramatic shifts in this pricing of long-distance services under Federal Communications Commission direction are contributing to the transformation in the industry's traditional rate structure.

These developments, accompanied by the efforts of phone companies to shift billing systems from flat-rate monthly fees to usage sensitive, "measured" service, have thrown state regulators into confusion.

"I don't know if we're overwhelmed, but we're certainly whelmed," said Larry J. Wallace, chairman of Indiana Public Service Commission and president of the National Association of Regulatory Utility Commissioners (NARUC). "It's frustrating because we seem to have so little control over things."

Consumers also are bewildered as they confront a host of complex, generally more costly options created by the aggressive competition in both long-distance service and among equipment manufacturers.

"The way I look at it the phone company is taking the opportunity to get as much as they can now on the backs of the consumers," said Fred Goldberg, a Washington lawyer representing the National Association of State Utility Consumer Advocates.

"There is a lot of confusion and the phone company is taking advantage of it," said Samuel Simon, executive director of the Telecommunications Research and Action Center (TRAC), a citizen group. "The local companies are confused. They no longer trust AT&T. The regulators are also confused and they don't know the right thing to do.

TELEPHONE RATES ARE GOING UP [1]

[In millions of dollars, with resulting percent increase in company revenue]

State	Amount	Percentage
Pending applications:		
California	$69.9	[3] 1.5
Nevada	16.4	23.0
Oklahoma	129.2	19.5
Wisconsin	99.0	14.0
New Jersey	212.9	12.3
Florida	285.1	16.0
Michigan	451.0	24.8
Vermont	16.5	19.3
Illinois	40.6	2.0
Iowa	44.7	11.5
Idaho	28.5	23.7
Rhode Island	37.4	20.4
California	837.9	[3] 14.0
Missouri	233.0	33.3
Wyoming	20.9	19.0
North Carolina	145.0	20.1
Arizona	79.0	13.5
Georgia	158.5	14.0
District of Columbia	82.0	46.7
Arkansas	137.9	52.9
Montana	20.7	14.5
Pennsylvania	378.9	25.6
Ohio	179.8	16.5
Kansas	213.7	66.5
Indiana	96.0	18.8
Total	4,014.5	13.5
Increase approved in 1983:		
Minnesota	52.6	
Washington	56.9	
Utah	36.6	
New York	[3] 200.0	
West Virginia	26.9	
Kansas	17.9	
Maryland	44.3	
Maine	11.4	
Delaware	7.4	
South Carolina	20.4	
Virginia	63.8	
New Mexico	30.0	
Idaho	5.9	
Total	574.1	

[1] AT&T operating companies have rate increase requests pending in 24 States and the District of Columbia. Thirteen States have granted phone rate increases so far in 1983.

[2] Two separate filings in California.

[3] Approximate.

On the other hand, AT&T Chairman Charles Brown, while noting that it "would be helpful to somebody trying to untangle this" if phone companies slowed at least the pace of rate changes, said the "business cannot stand still.

"The facts are that costs are shifting the way the business has to run, and the shareholders need a decent return on their investment," Brown said last month. "Nobody is going to be served by postponing changes which have already been decreed. One might say these are already somewhat delayed."

While the divestiture required under the AT&T antitrust settlement has fueled little of the recent rate activity, it has spawned a new set of issues related to the fact that local phone companies will no longer have revenues from long-distance, equipment, and other services to supplement their income from providing local service.

As a result, some state regulators, such as Susan W. Leisner, a member of the Florida Public Service Commission, are warning that post-divestiture average rates of $25 to $30 per month are likely by 1986. Her estimate includes the impact of a new FCC access fee system that will add $2 a month to phone bills over the next two years to cover costs associated with certain long-distance services, and new depreciation rates on equipment that she said could add another $2 to $3 a month.

"In five to 10 years this nation might have an advanced telecommunications network which places us in the forefront of the information age," Leisner recently told a congressional subcommittee. "My concern is for the vast segment of our population that may not be able to participate in this wonderful brave new world because they simply cannot afford basic access to the telecommunications network."

AT&T officials vigorously deny that divestiture must necessarily cause higher local rates. "We have been saying for a decade that competition would force increases in local rates," Brown asserted. "But it really wasn't until the filing of the consent decree last year that this issue finally got attention."

For at least a decade, many telephone companies have sought to encourage customers to switch from flat-rate, fixed monthly service to the measured services which result in local charges based both on the number of minutes the telephone is used and whether calls are made across various zones. Usage-sensitive rates have been introduced in 42 jurisdictions.

New York City residents, for example, have long been offered a variety of calling packages that result in charges for calls based on distances, even within the city limits.

Arguments over such rate structures have raged within state regulatory commissions. Advocates of the plans, like former New York State public utility regulator and Carter administration official Alfred Kahn, say it's good for the public and a fair way to assign costs. "The measured service transition is just," as long as it is accompanied "by developing economy options for poor people," Kahn says.

Last month, the Chesapeake and Potomac Telephone Co. proposed such a system for District residents. Its plan offers five rate schedules, with the cost of the basic flat-rate unlimited service rising 105 percent to $18.06 a month.

Another option is a service with a flat $9.28 a month charge for the dial tone and $2.94 a month in calls, but with additional charges for other calls depending on time of day, location and length of the call. There is also an "economy" rate offered for $3.61 a month, a 64 percent increase, that makes charges for each call placed.

Some activists and regulators warn that despite the proposals for so-called "economy" rates, the numerous changes represent a serious threat to the traditional industry concept of "universal service," and that ultimately some subscribers will be forced to give up service.

"A phone is no different than food and shelter," said Simon of the TRAC group. "There may be a fairly high human cost that's going to have to be paid before regulators listen."

[From Broadcasting, Apr. 25, 1983]

GREENE OK'S AT&T SETTLEMENT CHANGES

The plan for breaking up AT&T in accordance with the settlement of the Justice Department's antitrust suit against the company moved another step toward realization last week. U.S. Judge Harold Greene, who is supervising the divestiture plan, approved with some modifications most of the geographic areas for local service AT&T would establish under the plan.

But while Greene is reducing the number of issues to be resolved, five church groups that are intervenors in the proceeding have asked Greene to hold another hearing, which would be designed to determine whether the local Bell operating companies (BOC's) that are to be divested can meet their obligations to provide "universal service at reasonable rates." Despite the mountains of pleadings already filed in connection with AT&T's reorganization plan, the groups maintain, the information on which the court can judge the impact of the plan on the companies' viability is incomplete.

Greene's action, coming in a 162-page opinion, affects a major element in the plan for reorganizing the world's largest private company. The plan calls for spinning off the 22 Bell operating companies and reorganizing them into seven regional operations, each of which would service a Local Access and Transport Area, or LATA. Service between the LATA's within the companies' areas of responsibility would be provided by long distance carriers, such at AT&T and MCI.

The plan is to go into effect in January. And Greene noted that the local operating companies will assume the responsibility provided basic and affordable telephone service. Accordingly, he said, the court will approve LATA's "which tend to preserve the effectiveness and the viability of the operating companies."

Greene approved:

Five of the LATA's proposed for New England, and ordered a division of the LATA proposed for eastern Massachusetts.

Sixteen LATA's proposed for the mid-Atlantic region, but ordered the division of the proposed New York metro area into two regions.

Fifty-seven LATA's proposed for the South, but ordered the division of the Birmingham, Ala., area and the consolidation of two areas in Kentucky.

Forty of the regions proposed for the midwest, but ordered the division of the Cleveland-Davenport, Iowa, regions, consolidated two LATA's proposed for South Dakota and consolidated one Illinois region.

Twenty-one of the LATA's proposed for the West, consolidated two regions in Utah, and ordered a modification of the Los Angeles LATA.

Greene delayed action on several areas pending the receipt of additional information. These included Albany, N.Y.; Syracuse, N.Y.; St. Louis; Detroit; southeast Wisconsin; Chicago, and proposed state line crossings in the New England states. The church groups' motion for a new hearing argues that AT&T is in no position to represent the views of the 22 local companies that are to be reorganized into seven regional concerns. "AT&T," they say, "has an inherent conflict of interest in developing the plan." They also say that the BOC's have not placed in the record—for review by the intervenors and the court—"their full and candid assessments" of the plan's likely impact on them.

As for the possible conflict of interest between AT&T and the local companies, the church groups cite, among other things, the competing desires of Bell and the companies to employ "the most sophisticated equipment, the most skilled personnel, and rights to all proprietary information. . . ."

The groups also rejected AT&T's contention that, even if a conflict appeared, the parent company could not manipulate the plan. They say there were several examples of such manipulation, including AT&T's assignment of certain switching systems to itself, despite what the groups say is the requirement of the plan that those systems go to local operating companies where use of the equipment "predominates" over Bell's.

"The most glaring information void," the groups contend, "concerns the views of the newly designated regional BOC's. They said that the chief executive officers of the regional companies apparently expressed concerns [to the Department of Justice, as it prepared its comments on the plan] that are not even hinted at in the affidavits they filed with this court." The groups say that, with minor exceptions, the CEO's "reported concerns only of extreme significance or responded only to the issue of whether AT&T imposed its will on them."

Given AT&T's "actual and potential conflict" and the BOC's "limited disclosure," the groups say, the court should hold another hearing "to flesh out as much information as possible within the time constraints" of the plan, which calls for implementation next January. They suggest that each BOC be required to submit written statements and that BOC representatives be made available for cross-examination by parties in the case. The groups also say the parties should be allowed to file statements on whether the new information developed warrants changes in the plan.

The groups filing the motion were the United Church of Christ's Office of Communication, Reformed Church in America, National Council of Churches' Communications Commission, National Catholic Broadcasters Association and United Methodist Church's General Board of Global Ministries.

[From the Wall Street Journal, Mar. 3, 1983]

AT&T PUTS COST OF SHEDDING BELL UNITS AT $1.9 BILLION, TO BE PASSED TO CUSTOMERS

(By James A. White)

NEW YORK.—American Telephone & Telegraph Co. estimated the five-year costs of breaking up the Bell System at a minimum of $1.9 billion, which eventually would be paid by telephone customers.

The preliminary estimate, the first by AT&T since its Jan. 8, 1982, agreement with the Justice Department to divest itself of the Bell operating companies, doesn't include about $1 billion in extra spending through 1987 related to regulatory decisions rather than the divestiture agreement. The $1.9 billion figure also excludes administrative expenses and costs of the 22 Bell operating companies arising from the divestiture, AT&T said.

An AT&T spokesman described the spending estimate as "shaky," but said it was the best the company could come up with based on available information. "This shouldn't be looked on as the total cost of what the breakup is going to be because we frankly don't know that yet," he said.

RESPONSE TO FCC REQUEST

AT&T provided the estimate to the Federal Communications Commission in response to a commission request in January for the projected costs of altering the nation's telephone network to conform with the divestiture agreement. The FCC wasn't involved in reaching the divestiture agreement, which settled a 1974 government anti-trust suit against AT&T, but the commission does have powers over the transfer of radio licenses, telephone company assets and other items that are affected by the divestiture.

The divestiture, which AT&T plans to complete next January, calls for the parent company to retain its Western Electric Co. manufacturing arm and Bell Telephone Laboratories Inc., and to provide interstate long-distance calling service and about half the intrastate toll service now provided by the local Bell companies. The local companies will provide local and the remaining intrastate phone service, offer Yellow Pages advertising and have the option of selling telephone equipment after divestiture.

One major area of expenses stemming directly from the divestiture involves dissecting the transmission lines and switching equipment—built up over the years as one nationwide network—into separate networks, one for AT&T long-distance business and the remainder for the Bell companies to provide local and some toll service. An even larger cost category, related both to the divestiture and earlier FCC decisions, involves providing AT&T's long-distance competitors "equal access" to local telephone customers. That requires changing the telephone network so that customers of MCI Communications Corp. and other long-distance carriers can obtain service without using push-button phones as are necessary now, for example.

NETWORK CHANGE SPENDING

AT&T estimated that spending for network changes directly related to the divestiture would come to $279 million through 1987, with the bulk of the expenditures coming in 1985 and 1986. The spending would go toward rerouting trunk lines to avoid overlap between AT&T and divested calling networks, construction of added transmission lines where needed in the reconfigured networks and developing new computer software to operate central-office switching equipment.

The cost of providing equal access to all long-distance carriers will total $2.66 billion through 1987, AT&T estimated. But the company said a minimum of $1 billion of that total would have been spent even in the absence of the divestiture agreement to comply with prior FCC orders requiring that long-distance carriers be treated on the same terms as AT&T's long-distance operation.

Because of the agreement, however, some of that spending planned anyway might be speeded up or some equipment placed in different locations, AT&T said.

AT&T said all the costs growing out of the divestiture and for providing equal access to long-distance carriers were an expense of doing business and therefore would be factored into rates paid by customers. AT&T didn't make any estimates of the specific effect on rates that the network changes would have. AT&T last year had total revenue of $65.76 billion and reported profit of $7.28 billion, or $8.40 a share.

In other portions of its filing with the FCC, AT&T said that the 22 local Bell companies would transfer assets with a net book value of $6.4 billion to AT&T as part of the AT&T takeover of a portion of the intrastate calling services now provided by the local companies. The Bell units are expected to retain 75 percent of AT&T's assets, which totaled $148 billion last year.

It also said that after divestiture, Bell customers would have options for choosing which long-distance carrier they wish to use. Under an option called "pre-subscription," all long-distance calls would be routed over a single carrier designated in advance by the customer. Under a second option, the customer could choose the carrier for the specific call by dialing a four-digit number followed by the regular area code and phone number. The four-digit prefix would begin with 1-0, and the second two digits would be a number assigned to the carrier desired.

Much of the AT&T filing, made last Tuesday, covered requests for transferring radio licenses used by the Bell System for microwave transmission of phone calls. The total filing included about 7,500 pages measuring three feet thick.

[From the Washington Post, Mar. 7, 1983]

SUPREME COURT CLEARS OUTCOME OF AT&T CASE

(By Fred Barbash)

The Supreme Court yesterday upheld the antitrust settlement that broke up the American Telephone and Telegraph Co. over the objections of 13 states concerned about the impact of the AT&T divestiture on local telephone service.

The court's action summarily affirmed U.S. District Judge Harold Greene's approval of the historic January 1982 divestiture agreement and allows detailed planning of the reorganization to continue under Greene's supervision without interruption.

Thirteen states, including Maryland, asked the Supreme Court to review the settlement. The states said that divestiture will require major changes in the financial condition of the local operating companies, as well as the equipment and other assets under their control—all of which could affect the rates they charge consumers.

State regulatory agencies, like the Maryland Public Service Commission, have the right to approve or disapprove any such changes, said Charles O. Monk, chief of the antitrust division in the Maryland attorney general's office.

Three justices, one short of the four required, voted to review the settlement. That tally and the written dissent accompanying it yesterday suggested that the court may be inclined to review some of the antitrust issues involved in the AT&T divestiture in some subsequent case.

The three dissenters, Justices William H. Rehnquist and Byron R. White and Chief Justice Warren E. Burger, strongly questioned the constitutionality of having the federal judiciary review such settlements.

The Justice Department told the court that the federal court action approving the settlement, like any other federal court decision, preempts the states' authority. The states, like everyone else, have an opportunity to file objections to a settlement with the reviewing federal judge, the government argued.

The Supreme Court also rejected objections to the agreement from two AT&T competitors, the Tandy Corp. and the North American Telephone Association, concerning provisions for the sale of telephone equipment contained in the settlement.

The justices acted without full oral arguments, briefings or an opinion. The three dissenters urged a full review by the court.

Rehnquist said he was "troubled by the notion that a district court, by entering what is in essence a private agreement between parties to a lawsuit" can use the powers of the federal government "to preempt state regulatory laws." He said the district court "may well be correct," but "I am not prepared to create a precedent in this court by summarily affirming its decision."

In addition, the dissenters raised questions about the constitutionality of the law (The Tunney Act) that requires approval of the federal courts for such a settlement, saying the pros and cons of a negotiated agreement are policy matters reserved to the executive branch.

AT&T is working under a deadline of Feb. 24, 1984 for the breakup of the Bell System. It will be giving up its 22 local telephone companies in exchange for expanded rights to compete in unregulated areas, such as data processing.

The states that sought Supreme Court review were, in addition to Maryland, Arizona, Delaware, Missouri, New Hampshire, North Carolina, Tennessee, Wisconsin, Virginia, Alabama, Kentucky, West Virginia and South Dakota.

[From Business Week, Oct. 11, 1982]

TELECOMMUNICATIONS: EVERYBODY'S FAVORITE GROWTH BUSINESS, THE BATTLE FOR A PIECE OF THE ACTION

After being tightly regulated as a utility for 75 years, the nation's communications industry has been unleashed and is becoming a competitive free-for-all. Dozens of companies are struggling to come up with a strategy for applying new technologies to win a bigger piece of the U.S. market for communications equipment and services—a $75 billion annual business that is expected to double in size over the next five years.

In their growing fight for market share, the contenders are reshaping the industry by erasing the differences that have separated the various communications carriers. For example, GTE Corp., the largest independent local telephone company, began building a satellite network this summer to enter the long distance communications market. And long distance carriers, such as Graphic Scanning, MCI Communications, and Western Union applied in June for licenses to set up cellular mobile telephone networks—a new type of radio system that will compete with the local phone companies.

The new technologies and regulations even make it difficult to distinguish between communications vendors and their customers. Merrill Lynch, Pierce, Fenner & Smith Inc. is negotiating a joint venture with Western Union Corp. to build a telecom-

munications center in New York City that would put it in competition with the carriers. "We see a wide-open market in communications, because the barriers to market entry have almost all disappeared," declares Robert P. Reuss, chairman of Centel Corp.

Communications companies will have to strike fast, however, if they want a bigger piece of the action. Says Alice J. Bradie, who follows the industry for L. F. Rothschild. Unterberg. Towbin: "The ones that will succeed are the ones getting there now." Late in August, federal Judge Harold H. Greene approved American Telephone & Telegraph Co.'s plan for spinning off its 22 local operating companies. AT&T is preparing rapidly for competition (page 66) and hopes to set the operating companies free by Jan. 1, 1984. And faced with the need to go it alone, the Bell operating companies are also plotting aggressive business strategies (page 70).

Coming up with a winning strategy will not be easy. The industry is in a state of chaos, the likes of which it has not seen since the turn of the century, when AT&T and Western Union were fighting to wire the nation for communications services. "I don't know of any industry that has seen such a combination of changes in such a short period of time, when you consider all the changes in technology and the move to deregulation," declares Eugene F. Murphy, president of RCA Communications Inc.

The drive to turn communications into a competitive industry has been accelerated by a host of new communications technologies. As recently as 15 years ago, the nationwide networks of AT&T and Western Union were the only means of commercially moving messages electronically—either across town or across the country.

Now, however, information can be beamed between cities via satellites or microwave radio links. Similarly, several ways of bypassing local phone companies have been developed. New York City, for example, buys lines from Manhattan Cable TV Inc. and hopes eventually to set up a private communications net using cable-TV lines to link all city offices. In addition to the growing number of competitors in cellular mobile radio, another 21 companies, including Satellite Business Systems and RCA Communications are seeking FCC permission to build digital termination services—using other new radio technology to carry telephone calls and computer data to any destination in town. Within an office building, office networks supplied by computer venders such as International Business Machines Corp. and Datapoint Corp. and private branch exchanges made by such companies as Rolm, Mitel, and Nothern Telecom can now provide an economic alternative to the phone lines currently installed.

The industry is being restructured as a result. Instead of separating the companies into market segments defined narrowly by geographical coverage or by type of products or services, three broad classes of companies are emerging: those supplying information processing and storage services, those that move information, and those that make the hardware to do the job. "The basic dividing line will be between information services companies and the computer and communications companies that serve them," says Clay T. Whitehead, president of Hughes Communications Inc. and the former director of the U.S. Office of Telecommunications Policy.

Although the Bell System will still remain the largest single supplier in the years ahead, it clearly will play a less dominant role in this new industry structure. The loss of AT&T's local operating companies will wipe out nearly half of the company's revenues—which totaled $58 billion last year—and cut its near 80% market share almost in half. This breaks AT&T's hammerlock on the market—something the Federal Communications Commission and the courts have been trying to do for a decade.

In addition to accelerating the reorganization of the industry the split-up of the Bell System will also get rid of the industry's pricing structure. As a monoploy AT&T was encouraged by regulators to establish rates based on average costs throughout the country. This resulted in the high-volume products and services which had greater economies of scale, subsidizing the less efficient, low-volume products. For instance, 37¢ of every long distance dollar still goes to support local telephone services.

PLENTY OF ROOM TO GROW

Competitors could easily undercut AT&T's prices on high-volume products and services. Long distance carriers such as MCI Communications, Southern Pacific Communications and International Telephone & Telegraph, for example, were able to charge 30% to 50% less than AT&T on popular long distance routes—which the phone company calls cream skimming. "We have had an economic distortion with artificial allocations of costs," complains Daniel J. Miglio, general manager of corporate planning for Southern New England Telephone Co.

One way of setting a price that would accurately reflect the cost of providing that service would be to shift to what is called "usage-sensitive pricing." The Bell operating companies, as well as the independents, already are switching to this kind of pricing: a measured local rate where charges are based on the length of the phone call and the time of day it was made. Currently 88 percent of AT&T's residential telephone customers pay a flat rate no matter how many local telephone calls they make.

With the new pricing structure basic communications will become essentially a commodity business, with price becoming the distinguishing factor. After doing a cost comparison that showed it could save $65 million over the next 10 years, for example, Westinghouse Electric Corp. decided to dump AT&T and install a private network between its 45 offices in the Pittsburgh area. "People are making more and more price comparisons," agrees William E. Starkey, group vice-president at GTE.

The communications companies, especially the common carriers, are now shifting to value-added services in order to differentiate themselves in this increasingly competitive commodity market. Basic telephone services will continue to represent the bulk of the business for some time, but flashy, value-added services will establish a company's reputation and provide more than their share of profits. Explains William G. McGowan, chairman of MCI Communications Corp.: "People will be willing to spend more on extra features." For example, MCI recently added Omni-Call, a service that automatically picks for its customers the least costly method of making a long distance phone call.

The problem facing the carriers is to determine which features to add. There is plenty of room to grow. Telecommunications accounts for just over 10% of the nearly $700 billion a year that AT&T estimates U.S. business spends on communications. The remainder goes for postage, preparing written correspondence, and for travel and meeting expenses. Now, companies such as Aetna Life & Casualty Co. are using teleconferencing services to replace some of the travel. And at J. C. Penney, K-Mart, Haggar, and Texas Instruments, computers now "talk" directly to other computers at their customers and suppliers, replacing the mail. "The name of the game," agrees Miglio of Southern New England Telephone, "is identifying what functions are needed, where they're needed, and then to design systems, at the right price, to meet those needs."

Communications carriers are now building all-purpose transmission systems to gain the maximum flexibility in providing these new services. Older technology demanded that the networks specialize in one type of information: video, data, or voice. But modern technology makes it possible to use one system for all three by converting every conceivable type of signal to a stream of on-off pulses of computer code. By building a network to carry these pulses, "we're arranging our services as a flexible transmission pipe, so the customer can use then as needed," says Lee M. Paschall, president of American Satellite Co.

LEARNING HOW TO SELL

Such flexibility is important for another reason. Despite all the excitement over the new high-technology communications applications, no one is certain when they will become big business. So, until data communications takes off, a company must be able to carry conventional phone calls to provide a revenue stream to finance its growth. That is a lesson that SBS learned the hard way. The satellite communications company introduced a service dedicated to carrying computer data at high speeds but was forced to broaden its offering to include slower-speed data transmission and voice phone calls. Now, says SBS President Robert C. Hall, "integrated services will be an important part of a firm's overall strategy." By the same token, a company that is not expanding beyond voice communications will be at a severe competitive disadvantage when transmitting data becomes important. For that reasons, AT&T is converting its long distance network into what it calls the Integrated Services Digital Network.

Besides teaching old communications networks new tricks, the shift to value-added services is forcing communications companies to master new business skills. The companies that will succeed, says Winston E. Himsworth, who follows the industry for Lehman Bros. Kuhn Loeb, will need "distribution, marketing, and the 'D' in research and development. These are the traditional disciplines needed for success, but these are skills nobody [in communications] needed before," he says. Just as many companies strong in electronics technology failed to make it in the computer business because of their marketing weaknesses, some of the communications companies could flop in gaining a bigger share of their market unless they stop operating like utilities. "We're the ones who invented the transistor, but it was developed by others. We can't let that happen again," points out John L. Segall, AT&T's vice-president for planning and financial management.

The most difficult thing for a deregulated communications company to learn will be how to sell instead of just taking orders. For all the publicity that new developments in

communications receives, customers will still be slow to change their communications habits and start using the new value-added services. How fast the markets for these services grow "depends on how well the companies' marketing departments educate people," says Ithiel de Sola Pool, a professor of political science at Massachusetts Institute of Technology.

KEEPING PACE BY INTEGRATING

The best examples of this kind of marketing are the new telephone applications that AT&T is demonstrating to customers. AT&T has added value to the long distance phone call with its Wide Area Telephone Service. Now it is promoting the Telemarketing concept, encouraging companies such as Polaroid Corp. and Clairol Inc. to use these WATS lines for customer service and to replace traveling salespeople. Says AT&T's Segall: "We need to find new value in that commodity the way Arm & Hammer began finding new uses for baking soda."

To make these sales efforts successful, the communications companies are tailoring their new products to customers' needs, instead of offering them one take-it-or-leave-it service. "We're coming out of a history of serving everybody as a regulated monopoly," says Southern New England Telephone's Miglio. In the future, he points out, "we're going to have to make our products in a more selective manner."

One way to do that is by industry, Hughes Communications, for example, is dedicating its Galaxy satellite exclusively to cable-TV programmers, creating a virtual shopping center for cable-TV shows. Similarly United Telecommunications Inc. is focusing on the insurance industry through its Isacomm subsidiary. "We don't believe it's our lot in life to go into headlong competition with AT&T or the IBMs of the world," says Paul H. Henson, United's chairman. "We are selecting what we consider to be fairly well defined niche markets."

Some companies are concentrating on public services—MCI with Execunet and Western Union with Mailgram, for example. However, a much larger group of carriers, including SBS, American Satellite, and Southern Pacific, are homing in primarily on private communications networks. "To protect its dominant market share, AT&T needs to design general-purpose services," says AmSat's Paschall. "Hence, it is our intent to tailor systems precisely to the customer."

Only a few of the largest companies—AT&T, GTE, and IBM, for example—will sell to a broad spectrum of markets. Each of the companies is vertically integrated with a position in information processing services, transmission, and equipment manufacturing. To keep pace with these larger competitors, most of the other companies are also doing some integrating. Most of them are expanding within their market category.

But some companies are vertically integrating outside their markets. As a result, they are increasingly blurring the distinction between information processing and communications companies. Computing services companies, such as Tymshare Inc., are currently in the communications business. And, in mid-September, GTE Telenet Communications Corp. launched a medical information network with the American Medical Assn. Explains Hughes Communications' Whitehead: "There is a lot of focus on mergers between computer and communications equipment makers, but what will shape the future will be alliances between information services and communications companies."

For now, equipment makers and communications services suppliers see little need to enter each other's business. "We used to own manufacturing facilities," recalls James V. Napier, president of Continental Telecom Inc. But the Atlantic company sold these factories, he says, because "there are so many manufacturers that it is easy for a service company to get all of the products it needs." Most equipment suppliers feel the same way about the services business. "We're good at manufacturing products and that is where we want to spend our money," says Donald Smith, vice-president of business development at Mitel Corp.

HELP FROM A BIG PARTNER

Perhaps the biggest change in the industry's structure will be the new avenues of distribution created by the independence of the former Bell operating companies. Nearly all of the communications carriers rely on the local telephone company to make the final connection to their customer. That is often a difficult task, as customers using competitive long distance companies are well aware. They must dial as many as 13 extra digits when making such a phone call. Under the divestiture agreement, however, the operating companies must give the competing carriers the same connection that they give AT&T. That means that the customers of competitors will have to dial only one additional digit.

These new distribution channels will have an equally large impact on the equipment makers. "Up to now, we've had many good manufacturers, but their major problem was how to distribute and service their gear," notes Robert E. LeBlanc, a New Jersey telecommunications consultant and former vice-chairman of Continental Telecom. Now, the Bell operating companies can become dealers for the manufacturers.

But none of these strategies for competing in the new communications environment can win unless a company can finance its entry into the contest. The new technologies cost less to install than the old wiring but still require massive amounts of capital. Satellite Business Systems invested nearly $600 million in its satellite network before collecting a cent in revenues. Even tiny Microtel Inc. is spending $40 million to build a network in Florida. "The opportunities for new entrants are narrowing," says Richard M. Smith, Microtel's chairman, because of the capital requirements.

One alternative to a big initial investment is to enter the business in stages. American Satellite entered in 1974, for example, by leasing channels from other carriers. In 1980 it agreed to buy one-fifth of Western Union's Westar IV and V satellites for $105 million. By 1985, AmSat plans to spend $100 million to launch its own satellites.

Other companies are selling some of their assets to raise the funds. For example, Western Union in August sold six of the 24 transponders on its Westar V satellite for $38 millon to other companies. That sale provides one-third of the $100 million that it costs to build and launch a satellite and still leaves 18 transponders for Western Union's business. "The purchaser is ensured a stable price for communications, and it provides us with instant capital," explains Philip Schneider, vice-president for satellite systems at Western Union.

To amass the financing and skills needed to succeed, many companies are turning to joint ventures. To provide a highly reliable data communications network, for instance, Tandem Computers Inc. linked up with American Satellite itself a joint venture between Continental Telecom and Fairchild Industries Inc. U.S. Telephone Communications Inc. now sells its discount long distance phone services through such retailers as Marshall Field. These corporate partners handle the billing and much of the marketing. "Folks don't know how to shop for alternative telephone service," says G. Ray Miller, executive vice-president of U.S. Telephone. "So the credibility [of a big partner] is important."

By selling customers their own transmission facilities, the carriers are using the customer's money to fund construction in the same way that condominium developers do. "We will have to see more and more alliances between users and suppliers," believes Hughes' Whitehead, "because there is more than any one [of us] can do by ourselves, both in terms of finance and knowledge." By purchasing telephone equipment outright instead of renting it, customers can remove the need for their suppliers to finance a rental base. "The industry is shifting the capital requirement away from the communications company to the user," says consultant LeBlanc.

BOMBARDED BY EVERYONE

Besides providing the funding for new communications ventures, customers will also be taking a more active role in operating their communications systems. Already, AT&T reports, more than 87% of its residential consumers plug in their own telephones instead of calling in an AT&T serviceman, up from 70% two years ago. Now business customers, such as Kraft, Inc. in Chicago are planning to install and handle the upkeep on their own equipment. "In the past there was no advantage for us to do it because we were paying for it in the general rate," says C. Richard Keener, Kraft vice-president and director of systems services. But now, he says, "We can get credit for work we do ourselves."

As the industry's customers participate increasingly in communications, they will need to develop their own strategies for dealing with the new environment, especially as communications becomes the central nervous system in most organizations. One strategy that large companies are adopting now is to set up what amounts to their own communications company. Although Federal Express Corp. is not unhappy with AT&T service, it is convinced, for example, that it can get better service less expensively by doing it itself. "If you control your own network, you have more incentive to improve its reliability," says James L. Barksdale, senior vice-president. But even smaller customers will have more options to choose from. "We've been bombarded by everyone," says John W. Kortze, director of administrative services for Remington Products Inc. "The days of being able to pick up the phone and rely on one vendor for end-to-end services may be over."

AT&T'S BOLD BID TO STAY ON TOP

Eagles show up everywhere in Hugh B. Jacks's office, from the side of his coffee cup to his lapel pin. As American Telephone & Telegraph Co.'s national director of business services, Jacks chose the eagle to symbolize the new competitive spirit he is trying to instill in his 60,000-person maintenance force because, he says, "storms bring out the eagles, while little birds fly to cover." Indeed, the storm changing the structure of the U.S. communications industry has brought out the eagle in AT&T.

In a strategic shift more daring than anyone had thought could ever come from the telephone company, Bell decided to give up its monopoly in the standard telephone business by agreeing with the Justice Dept. to divest its 22 local operating companies—a plan approved by the courts late in August. Instead, AT&T is setting its sights on value-added and unregulated information services—what the company calls the knowledge business. "We need to tell people that our business is broader than we perceived it in the past," declares Archie J. McGill, vice-president for business marketing and one of the architects of AT&T's new strategy.

While the phone company's size has enabled it to dominate the telecommunications industry—with 1981 revenues of $58.2 billion, it has nearly 80% of the market—its immense bulk is hindering this dramatic change. It must modernize a $146.6 billion communications network and plant. Even more difficult, Bell must now teach its 1 million employees to please customers, after decades of encouraging them to please the regulators. "AT&T is a great big company that has the attitudes of a monopoly entrenched in it," says Richard M. Moley, vice-president of marketing at Rolm Corp.

In fact, some industry observers do not rule out the possibility that AT&T could fail to keep up with the changing market. After all, they reason, such established electronics giants as General Electric Co. and RCA Corp. failed during the 1970s in their bids to enter the exploding computer hardware business. Indeed, AT&T's transformation "is a corporate gamble to top all corporate gambles," concludes Harry Newton, a New York communications consultant.

But AT&T is showing surprising agility at adapting to change. John D. deButts, a former AT&T chairman, embarked in 1978 on a plan to turn the phone company into a fiercely competitive supplier of all forms of communications systems and then turned the corporate reins over to Charles L. Brown the present chairman (BW—Nov. 6, 1978). Since then, Brown has revamped many of AT&T's operations and drafted the landmark divestiture agreement. "With nearly a million people, you can't turn around overnight," says Robert E. Bennis, manager of telecommunications systems at Westinghouse Electric Corp. Still, he notes, "AT&T has made significant changes."

So far, AT&T has made the most progress in building a business sales force. Since joining Bell in 1973, McGill, a marketing veteran of International Business Machines Corp., has been teaching AT&T's salespeople how to sell its products and services instead of just taking orders. "When we started our major push about four years ago, I said [the change] would take five to seven years." McGill says, "and we're further along than I anticipated we'd be." To instill aggressiveness in this sales force. McGill phased in commissions—unheard of as recently as three years ago. Today, commissions account for as much as 50 percent of the pay of a typical account executive at Bell. And 34 percent of AT&T's 6,500 account executives have already passed a new training course.

Besides becoming increasingly aggressive, AT&T has changed the focus of its sales efforts. Instead of selling standard products, the company is working to tailor its products and services to the specific needs of particular industries. McGill has realigned the sales force into industry-specific groups that focus on 28 industry segments. Customers are already noticing progress. Bell "is becoming more knowledgeable about its customers," believes James L. Barksdale, senior vice-president at Federal Express Corp. As a result, he says, it "is selling solutions rather than communications."

PLAYING CATCHUP

The success of this new marketing push is especially obvious in the international marketplace. From a standing start only two years ago, AT&T International Inc. last year sold more than $800 million worth of communications goods and services to foreign customers. And late in September, it began negotiating a joint venture with Philips of the Netherlands to boost those efforts (page 47).

The AT&T sales force is still handicapped, however, by a product line that many competitors and customers consider to be out-of-date. Bell's five-year-old Dimension private branch exchange (PBX), for example, handles only the continuous-wave audio tones of voice conversations. The more advanced PBXs of its competitors use the on-off digital pulses of computers so that they can carry more efficiently both telephone calls and computer data, a feature that is in increasing demand as business customers automate their offices. Similarly, Bell does not make or market many of the telephone accessories, such as answering machines, that are so popular with telephone users.

As a result, AT&T is losing substantial market share in equipment sales. Although Bell was once the only supplier of office phones, it now has only 68 percent of the $8.7 billion in PEX systems currently installed, market researchers at International Data Corp. estimate. "Frankly, I think AT&T is in a position of playing catch-up," says Walter C. Benger. executive vice-president for marketing and technology at Canadian competitor, Northern Telecom Ltd.

But AT&T will have trouble catching up, if only because "of the five-to-six-year development cycle at Bell Labs," says Gus V. Morck, manager of corporate telecommunications for Atlantic Richfield Co. To cut that time by as much as half. AT&T is reorganizing along the lines of businesses, each one with its own financial, marketing, and development resources. Declares Brown: "We need organizational changes to facilitate our ability to move quickly in (new) areas."

The fruits of this more aggressive product development effort are starting to come to market. In June, AT&T's new American Bell subsidiary introduced the Advanced Information System (AIS), an ambitious combination of data communications and computing technology. The new service permits dissimilar brands of computers and office equipment to communicate with each other—until now, a difficult task. AIS customers can also process information in the network, giving AT&T a beachhead in emerging markets such as computerized data libraries.

Other advanced products are on their way. The company is already reported to be testing at customer sites a new PBX that will employ digital signals. Although AT&T says that it has not yet decided whether it will enter the computer hardware business, its Western Electric Co. subsidiary this spring began selling inside the Bell system a super minicomputer, similar in power to the top-of-the line model from minicomputer leader Digital Equipment Corp. AT&T's manufacturing subsidiary is also redesigning its telephones so that they will be more competitive. For example, it is considering additional features such as a TV-like display screen.

But AT&T must still learn how to follow up once its customers choose their equipment and services. Despite the telephone company's reputation for excellent service, many customers are less than impressed with its ability to install and maintain telephone equipment. "In [those] everyday functions they are no better or worse than the rest of the folks out there," says Arthur L. DeLaurier, manager of voice communications for Eastern Air Lines Inc.

A NEW LOOK

"We recognize that in some instances we have been harder to deal with than we should have been," concedes Jacks, AT&T's national director of business services. To improve things, he is rapidly transforming the traditional telephone repairers, wearing tool pouches, white socks, and work boots, into nattily attired service technicians who carry their tools in briefcases. Already 1,600 of AT&T's 60,000 technicians have hung up their tool belts, and Jacks hopes by the end of the year to have 85 percent of them converted to the new look.

The change is more than skin-deep. Instead of being randomly dispatched, the new service technicians are assigned specific clients and given full responsibility for coordinating installation and repairs. Already, AT&T's customer surveys claim, the number of AT&T's large customers who are completely satisfied with repair and installation has risen from 83 percent in the first half of 1981 to 92 percent in the first half of 1982. And Jacks declares that his group "is willing to make whatever changes are necessary in the future to make the customer like us better than anybody else."

Not all of AT&T's employees are eagerly going along with the changes, however. For instance, after Bell's employee magazine printed an article explaining how AT&T had started holding annual sales conferences that bring the top 3 percent of its sales force to such resorts as Acapulco, it received many letters asking why Bell wasn't giving all its employees such bonuses.

In fact, eight out of 10 AT&T employees rated their company's efforts to explain what is happening as fair to poor, reports one Bell survey. "The biggest challenge is to keep people informed so that they feel included instead of allocated," acknowledges AT&T Executive Vice-President Charles Marshall. Besides flooding its employees with articles, brochures, and seminars on how to deal with the changes in their jobs, the telephone company is instituting various incentive programs. Jacks, for example, awards eagle statuettes to the outstanding service groups each quarter. As a result of these efforts. Brown says that he does not "expect corporate culture to be a barrier. I'm proud of the way our people have stepped up to the task."

It is still too early to tell just how successful AT&T will be with its new strategy. But if the telephone company can overcome the inertia stemming from its huge size, the economies of scale inherent in such bigness may generate overwhelming competitive momentum. Agrees Robert P. Reuss, chairman of Centel Corp.: "AT&T has a great capacity for bringing in a superior product at low cost in the whole field of communications."

THE OPERATING COMPANIES' STRATEGY FOR SURVIVAL

American Telephone & Telegraph Co. is casting its 22 Bell operating companies (BOCs) adrift on a leaking raft, as far as some industry observers are concerned. While AT&T pursues the faster growing and unregulated markets such as data processing, they say, it has divested the BOCs along with their regulated, slow-growing local telephone business.

But the BOCs look at their admittedly labor- and capital-intensive local phone business somewhat differently. With more than 142 million telephones installed, the BOCs have access to nearly 80 percent of the nation's users, and they intend to leverage that market penetration by becoming *the* local distributor of a variety of communications equipment and services. "We're proud of our strengths, and we plan to build from that base," declares William L. Weiss, president of Illinois Bell Telephone Co. Moreover, he promises, "we won't be timid—we cannot afford to be."

The BOCs face several challenges, however. Their once-exclusive local communications franchise is now under attack by cable television operators, equipment: suppliers, and such emerging radio services as cellular mobile telephone and digital termination. "There is no part of the divested BOC revenue stream that is not subject to competition," concedes James E. Hennessy, the AT&T assistant vice-president who headed a task force that in August completed a market plan for the BOCs. And their installed equipment—nearly two-thirds of AT&T's $137 billion in assets—is the oldest in the Bell system. "The most modern pieces of equipment are in the long-haul segment, where the highest traffic is," says John F. Gantz, a consultant with International Data Corp.

So the operating companies are preparing to overhaul their operations. They are installing new computerized switching gear and optical fiber cables in the local exchanges and are experimenting with techniques that enable existing telephone lines to carry voice calls and computer data simultaneously. "We must try to be the best provider of local access services to meet the needs of those who want to send data, voice, or whatever," states John L. Clendenin, president of Southern Bell Telephone & Telegraph Co.

At the same time, the local phone companies are going outside the old Bell System to form new business relationships with competitive long distance carriers. Besides making it easier for these companies to connect to their customers, the BOCs also plan to offer to handle the billing and collection for these long distance companies. "We see a difference already at Southwestern Bell," reports Andy H. Laguerueia, president of Satelco Inc., a San Antonio discount long distance telephone company. For example, he notes, "it used to take us 30 or 40 days to get circuits installed, but now it takes just 10 days."

The BOCs are also positioning themselves to become big regional equipment distributors. This is an ideal business for the BOCs because, under the divesture agreement, the BOCs can supply telephone equipment but may not manufacture it. And despite years of habit, the BOCs are not expected to buy automatically from AT&T's Western Electric subsidiary because its American Bell subsidiary will now market that equipment. "There is no reason for them to buy exclusively from their competitor," says Walter C. Benger, executive vice-president for marketing and technology at Northern Telecom Ltd.

Moreover, the BOCs can sell their technical skills. The operators of cable-TV systems could hire BOC crews to string their cable, for example. Confused customers could turn to the BOCs for technical assistance in coordinating the communications devices and services they may buy. "We have built-in expertise in management training and technical training, so that's one of many possibilities we're considering," says Arthur C. Latno Jr., executive vice-president of Pacific Telephone & Telegraph Co.

These new ventures should help to make the divested BOCs more attractive to the financial markets. Standard & Poor's Corp. and Moody's Investors Service Inc. have warned that the BOCs are unlikely to maintain the top AAA bond rating they now enjoy, though AT&T has pledged to divest the BOCs with debt representing no more than 45 percent of capitalization.

But regulators are granting the BOCs faster depreciation rates that are already throwing off enough cash to permit the BOCs to reduce borrowing. Even Pacific Telephone, generally viewed as the weakest financially of the BOCs, now funds 70 percent of its construction internally, up from just 45 percent in 1980, Latno notes. The new ventures, Hennessy adds, should help the BOCs nearly double their revenues to $50 billion by the middle of the decade.

Nevertheless, the transition will be arduous for the BOCs. "A significant number of people will have to be convinced of marketing in this sense," admits Hennessy. But the BOCs are convinced that their future is much brighter than industry pundits paint. Declares Illinois Bell's Weiss: "There is an awful lot of opportunity for those of us who manage Bell operating companies."

FINAL SHAPE OF BIG AT&T SETTLEMENT

Higher local phone bills but more competition for long-distance calls are just a few of the repercussions of Ma Bell's historic breakup.

Vast changes for consumers and businesses will soon flow from the biggest corporate reorganization in U.S. history—final settlement of the eight-year-long antitrust battle between the Justice Department and American Telephone & Telegraph Company—

Local telephone bills will rise, perhaps sharply, after Ma Bell sheds its 22 local operating companies within the next 18 months. They will become independent phone companies, each offering local phone service, basic communications equipment and Yellow Pages classified advertising—all completely separate from AT&T.

Free phone-repair service will become a thing of the past. But fierce competition between AT&T, the local phone company and independent retailers for the sale of equipment may drive down the cost of telephone equipment.

Competition for long-distance calls will be tougher, too. AT&T will have to compete on an equal basis with cutrate long-distance services offered by MCI Communications, Southern Pacific Communications, and others.

In exchange, AT&T will finally gain long-denied access to the new, and unregulated, data-processing and computer markets. This holds promise for advances in computer technology—and for vigorous price competition in the industry.

A flood of new communications services can be expected when the results of Bell Labs research and development are marketed aggressively by AT&T.

The breakup of the world's biggest company was brought closer to reality when AT&T and Justice lawyers on August 19 accepted changes proposed by a federal judge to a tentative settlement of the antitrust case reached last January.

Among other things, Judge Harold H. Greene wanted AT&T to stay out of electronic publishing—linking home and business video screens to retail and financial institutions—for at least seven years.

Greene also wanted to give the lucrative Yellow Pages, worth millions in profits each year, to the local companies. the proposed settlement had given this business to AT&T.

Finally, the judge wanted the new local firms to be allowed to market phone equipment in competition with AT&T and other sellers. They would have been barred from selling equipment under the January agreement.

Had Justice and AT&T lawyers refused to accept those changes, Greene warned that he would order the trial resumed. Thus far, the litigation has cost Ma Bell and the government an estimated 375 million dollars.

Customer protection, Greene said he sought the modifications to protect customers of the local companies from incurring higher phone bills and poorer service. Revenues from Yellow Pages and equipment sales could blunt the impact of higher costs once the local firms are cut off from AT&T. The Justice Department opposed allowing the spinoff companies to sell sophisticated equipment for fear of monopolistic practices, but agreed to accept the judge's revisions anyway.

But the impact of this case on customers and AT&T and its competitors is sure to dwarf the legal implications.

Local phone rates, no longer to be subsidized by the parent company's long-distance revenues, will rise sharply—10 to 20 percent a year, say industry analysts.

What's more, customers will have to bear the cost of repairing the telephones, switchboards and other basic equipment that they buy or lease from the local companies or the many new suppliers entering the market.

The 22 companies themselves will be grouped into seven regional holding companies. The company names will remain the same and the firms will continue to serve their existing areas.

Long-distance rates should hold firm or drop from existing levels because of competition between AT&T and its new independent rivals. Local phone companies must offer AT&T and the other providers of long-distance service the same rate and quality of signal. In turn, they will pay the local companies for access to subscribers.

Although barred from offering electronic news and advertising until 1989 at the earliest, AT&T will be free to enter the lucrative and unregulated field of data processing and computer services. Already, the company has launched a new subsidiary, American Bell, to market the Advanced Communications Service, which allows incompatible computers to "talk" to each other.

Ma Bell's 2,926,615 stockholders could discover their once-staid AT&T shares are buffeted by sharper ups and downs in value. That's because AT&T will no longer be a regulated utility whose profits are assured by rates set by government, but must compete for earnings in fiercely competitive fields. Once the restructuring is completed, shareholders will receive new certificates for

shares in one of the seven new regional holding companies.

All these changes—and more certain to emerge—will reshape one of America's most vital industries. In almost every respect, the telephone business will never be the same.

[From the Washington Post, Aug. 25, 1982]

LOOKING PAST MA BELL—FEDERAL JUDGE GIVES FINAL APPROVAL TO AT&T BREAKUP PLAN

(By Caroline E. Mayer)

A federal judge yesterday gave final approval to the breakup of American Telephone & Telegraph Co. within the next 18 months, an unprecedented corporate reshuffling that will change dramatically the way the nation has communicated over the past 100 years.

The order signed by U.S. District Court Judge Harold H. Greene, splitting AT&T's local operating companies from the parent corporation, will provide consumers a new array of choices and prices in telephone service. For consumers able to shop around, this could mean far cheaper bills for telephone equipment and long distance calls.

There may also be many more headaches, though—especially at first—as Bell customers try to adjust to the fact that they will have to deal with many more companies than the familiar "Ma Bell." Also, the agreement guarantees higher local telephone bills, although they may not be as steep as first predicted when the divestiture plan was announced nine months ago.

Greene's action ends the eight-year battle between AT&T and the government, which had attacked AT&T's monopoly power. The judge dismissed the government's antitrust suit and signed a breakup plan agreed to by AT&T and the Reagan administration in January and including changes ordered by the judge two weeks ago.

"I don't think there is any doubt this is going to change the world," said communications attorney Thomas Casey. "The divestiture of the operating companies is rivaled only by two other events in the communications industry—the invention of the telephone and the invention of the transistor."

Today, the simplest way to get local and long distance service and a choice of telephone equipment is to place an order with the local telephone company, although customers can buy equipment and subscribe to special long distance service now.

With the breakup of AT&T, it may take three or more calls to as many companies to arrange for service and equipment, communications analysts say.

"It has to be a different relation when customers won't be able to get everything they want to in one place," says Charles Marshall, an AT&T executive vice president who is doing much of the planning for the divestiture which the firm hopes can take place as early as Jan. 1, 1984.

Many details of how customers will buy and pay for telephone service still have to be worked out.

But as envisioned now, customers seeking new telephone service will have to call the local company to be hooked up to the local network. Although they may also be able to buy or lease a telephone from the local company after divestiture, they will likely want to shop around to check out the many different types of phones and prices that will be offered by the local company's growing number of competitions.

Among those competitors will be the newly constituted AT&T, which is expected to market telephone equipment aggressively.

The telephones in most households, which now are leased from local telephone companies, will belong to AT&T after divestiture. AT&T may decide to continue leasing them to the customers, or may try to sell them to their customers. But this decision too has not been made.

And to obtain long distance service, consumers probably will have to make special arrangements with the long distance company of their choice, such as AT&T, or its lower-cost competitors like MCI Communications Corp. or Southern Pacific Communications Co.

But in return, consumers who choose MCI, SPCC or another AT&T competitor may find it easier to use these systems because they will no longer be required to use a 12-digit access and identification number combination before placing a call. Instead, consumers probably will have to dial a single digit or, at most, three numbers to connect into a long distance network.

AT&T's long distance competitors will have to pay more to gain this direct access to the local network, communications analysts say, and that is certain to increase their customer charges.

As a result of all these changes, "it is going to be much more difficult for consumers to find out who's in charge of what," says Edward F. Burke, chairman of the Rhode Island Public Utility Commission who is president of the National Association of Regulatory Utility Commissioners.

The Bell System breakup also will guarantee higher local telephone bills, Burke says, but not be the two- or threefold increases that were predicted when the divestiture agreement was announced Jan. 8.

The reason is that Greene had ordered several changes that will dampen increases in local rates by increasing the revenues of local operating companies that will split off from AT&T.

Under the final divestiture plan signed yesterday, the Bell System will be dissolved into several companies. AT&T will spin off its 22 wholly owned local telephone companies which account for about two-thirds of its assets into seven separate regional companies.

These companies, which will retain the Bell System logo, will be responsible for local service. But they will also be able to sell telephone equipment if they wish, continue the profitable yellow page service and offer the new mobile radio service that is soon to be available nationwide. These companies will not be able to provide long distance service, however. Still, they will be required to treat AT&T and all its long distance competitors on equal terms in gaining access to the local network and customers.

AT&T, the parent company, will retain not only its name, but also the most lucrative parts of the Bell System: the equipment manufacturing subsidiary, Western Electric; the long distance division, and the research and development arm, Bell Telephone Laboratories.

The divestiture plan will permit this newly formed company to enter any area of business it wants to by lifting the conditions of a previous antitrust settlement that had barred AT&T from offering any unregulated, non-telephone-related service, such as data processing.

But, under orders from Greene, this company will be barred for at least seven years from entering the electronic publishing business, sending news, financial and sports data and a host of other information to consumers on their home or office video screens.

For AT&T investors, divestiture will mean a dramatic change in the steady blue chip stock they bought for guaranteed growth and steady dividends. Last year, for example, AT&T paid $5.50 in dividends for each share. Instead of holding stock in one company, investors will be given shares in eight companies—the parent AT&T and the seven divested local company groups.

Winston E. Himsworth, financial analyst for Lehman Brothers Kuhn Loeb, predicts that investors "may lose a little of their value in the operating company stocks, but this will more than be offset in the new opportunities present for AT&T." Yet, he notes, "There will be greater risks with AT&T stock. But along with the risks, there will also be greater potential for return."

By Mr. DANFORTH (for himself, Mr. BOREN, and Mr. WALLOP).

S. 1627. A bill to amend section (1)(f) of the Internal Revenue Code, and for other purposes; to the Committee on Finance.

COST OF LIVING ADJUSTMENT LIMITATIONS

● Mr. DANFORTH. Mr. President, I introduce today, along with Senator BOREN and Senator WALLOP, a bill intended to reduce the projected Federal budget deficits by $117.2 billion during the years 1985–88.

The bill is quite simple: for 4 years it redefines indexing for the purposes of the Federal Tax Code and for the annual cost-of-living adjustments (COLA's) made to non-needs-tested Federal benefit programs.

In 1985, the Federal Tax Code will be indexed. This means that annual adjustments will be made automatically to tax brackets, the personal exemption, and what used to be called the standard deduction. The purpose of this change, part of the 1981 tax bill, is to stop bracket creep—the process by which taxpayers are forced into higher tax brackets solely because they receive cost-of-living pay increases. Tax indexing will be based on the Consumer Price Index, the CPI. Under our proposal, tax indexing would use the factor CPI—3 percent from 1985–88. The Congressional Budget Office estimates that this change would result in higher tax revenues of $57 billion during that period.

The other half of the proposal is a temporary change in the annual COLA adjustment to Federal non-means-tested benefit programs (including social security, civil service retirement, military retirement, veterans compensation, etc.). Once again, during the 1985–88 period, the annual COLA's for these programs would be based on the factor CPI—3 percent rather than the CPI. After 1988, the CPI would be used as under current law. The savings expected to result from this provision are $60.2 billion through 1988.

Frankly, Mr. President, I take no pleasure whatsoever in introducing this bill. Members of the Senate like

to associate themselves with good news, not bad—with pleasure, not pain. This proposal is born of bad news—unacceptably large Federal deficits, and addresses the problem by inflicting pain—higher taxes and lower cost-of-living increases for recipients of Federal entitlement programs. But I am convinced that the only way to get a handle on the deficits is to inflict some pain. We try to do it in a way that asks a modest sacrifice from a very large number of people. We propose to ask the sacrifice from those who are in the best position to absorb it—taxpayers and Federal beneficiaries who are not required to establish financial need in order to receive their benefits. (We believe the recipients of needs-tested programs like SSI, food stamps, and AFDC have a unique need for full inflation protection.)

The non-needs-based entitlement programs are the fastest growing segment of the Federal budget. In the past 10 years, they have grown about 230 percent, from $85 billion to more than $280 billion. During that same period, the CPI increased about 135 percent. These programs now account for approximately 35 percent of the Federal budget.

I believe it is sheer folly to think that we can reduce the budget deficit to manageable size without both increasing tax revenues and slowing down the growth of entitlement spending. Those who say that defense cuts, discretionary spending cuts, and economic recovery will do the job are simply wrong. The numbers do not add up.

In proposing the "CPI-3 solution," I want to make it clear that we are open to modifications of our idea. For example, some people have suggested that Federal benefit COLA's should mirror the historical average of automatic COLA's in private sector labor contracts—approximately 60 percent of the CPI. A different idea was advanced by Senator ARMSTRONG in the social security debate. He proposed a "graduated COLA" adjustment which would have provided full CPI protection up to a specified amount and than a declining percentage of CPI for the remaining portion of one's benefit.

A number of other countries have enacted changes to the COLA's in their own social security systems. In the last 8 years, Germany, Britain, Sweden, Canada, and Finland have all made changes in response to economic conditions not unlike our own. Those changes have included the use of a new or modified price index, a delay in making the COLA change, and an arbitrary cap on the COLA. Such ideas deserve our consideration.

I do believe it is essential to link any COLA change on benefits with a modification of the Tax Code. Whether we modify indexing, impose a tax surcharge, or make some other change, it is necessary for equity's sake to ask a sacrifice from the taxpayer. Only in this way can we argue credibly that we are all willing to do our part to get the economy back onto a track that holds out the promise of steady, long-range growth.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD. I ask further unanimous consent that a second statement describing current economic problems and a rationale for the CPI-3 proposal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

COST OF LIVING ADJUSTMENT LIMITATIONS

SEC. . (a) Paragraph (3) of section (1)(f) of the Internal Revenue Code of 1954 is amended to read as follows:

"(3) COST-OF-LIVING ADJUSTMENT.—For purposes of paragraph (2), the cost-of-living adjustment for any calendar year is—

"(A) for calendar years 1985 through 1988, the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, reduced by three percentage points, exceeds

"(ii) the CPI for the calendar year 1983, and—

"(B) for calendar years after 1988, the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, exceeds

"(ii) the CPI for the calendar year 1983."

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective as of the date of enactment.

SEC. . (a)(1) Any increase in benefits which would occur by law under any of the provisions of law described in subsection (b) during the period beginning on October 1, 1984, and ending on September 30, 1988 as the basis of any increase in the Consumer Price Index, shall be limited as though the relevant increase in the Consumer Price Index was equal to the actual increase in such index minus three percentage points.

(2) The provisions of paragraph (1) shall apply only to the increases in benefit amounts, and shall not be applied in determining whether a threshold CPI increase has been met or in determining increases in amounts under other provisions of law which operate by reference to increases in such benefit amounts.

(3) Any increase in benefit amounts which would have occurred but for the provisions of paragraph (1) shall not be taken into account for purposes of determining benefit increases occurring after September 30, 1988.

(b) For purposes of this section the applicable provisions of law are the cost-of-living adjustments for—

(1) Old age, survivors, and disability insurance benefits under section 215(i) of the Social Security Act (but the limitation under subsection (a) shall not apply to supplemental security income benefits under title XVI of such Act);

(2) Armed services retirement and retainer pay under section 1401a of title 10, United States Code, retired pay and retainer pay of members and former members of the Coast Guard, and retired pay of commissioned officers of the National Oceanic and Atmospheric Administration or the Public Health Service;

(3) Civil service retirement benefits under section 8340 of title 5, United States Code, Foreign Service retirement benefits under section 826 of the Foreign Service Act of 1980, and Central Intelligence Agency retirement benefits under Part J of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees;

(4) Federal workers' compensation under section 8146a of title 5, United States Code; and

(5) Veterans' dependency and indemnity compensation under section 3112(b) of title 38, United States Code.

BUDGET POLICY PAPER

(U.S. Senator John C. Danforth)

The national debt has quadrupled since 1960, from less than $300 billion to more than $1.3 trillion. Under present policies, we are about to add another trillion dollars by posting annual deficits of about $200 billion in each of the next five years. (See Table One.)

The President's version of the Fiscal Year 1984 budget recommended cuts that might hold the deficit to $190 billion, a level that is very high by any standard. The current House and Senate budget proposals would create FY 1984 deficits of $175 and $179 billion respectively.

I believe we can put the federal budget on a responsible footing.

I believe, in fact, that we must. If we continue to fail the test of fiscal responsibility, we will be weakening our economy for many years to come.

There are three issues that I would like to discuss in more detail. The first is the magnitude of the present deficits and the harm they do to the nation's economy. The second is how we got into this situation. The third is what must be done if we are ever going to climb out of such a very deep hole.

The United States government is addicted to deficits which are growing in size. In the 1960s, the average deficit was approximately $6 billion. In the 1970s, deficits averaged about $30 billion. Twelve years ago, the deficit was less than 1 percent of Gross National Product; in 1980, 2 percent; in 1984, it will be about 6 percent. During the next several year federal borrowing will claim nearly 90 percent of the nation's net private savings. Debt service will cost $87 billion this year, 11 percent of the total budget. (See Table One-A.)

Every responsible voice agrees that chronic and growing deficits are bad for the economy and damaging to our country's future. High deficits are related directly to high inflation rates, to high interest rates, and to high unemployment.

Yet, in the face of general agreement that persistent deficits are very bad for the nation, virtually nothing has been done to correct this situation.

Since 1960, the United States has had one balanced budget and 22 deficits. In these years, we have created nearly 90 percent of our existing debt.

The question is how this happened.

It is no accident that we have posted only one balanced budget since 1960. It is no accident that we are about to run huge deficits through the end of this decade. It is not chance that we are about to create a thirty-year string of deficits—and do it with budgets that dwarf all past measures of the government's inability to live within its means.

Deficits are popular.

It is in the nature of elected office to seek the popular course of action. Politicians want to be re-elected. For two decades, politicians have prospered by promising higher spending without the need to pay the price. Very few of the men and women who serve in Congress have ever seen anything but red ink budgets.

We will never straighten out the economy until we jettison a set of extremely popular myths about how to control the budget. Let me offer some examples of budget mythology, with one introductory fact:

It is not possible to reduce the deficit below $150 billion per year unless we (a) reduce the growth rate of entitlement programs, and (b) increase tax revenue above what is built into current law.

There are a number of budgetary myths floating around, all of which have a common characteristic. That characteristic is to pretend that the deficit is someone else's fault and that it can be reduced without any sacrifices on our part. Here are some examples of popular myths.

Myth: "We can solve the deficit by cutting defense spending."

In the 1970s, defense spending declined from 8.3 percent of Gross National Product to 5.5 percent of GNP. In after-inflation, real dollars, defense spending fell by 19 percent in this period. During the last quarter century, defense spending as compared with the rest of the budget has been cut in half. (Table Two.)

Recently, Congress has voted increases in defense spending in recognition of these facts and because of the continuing buildup of the forces of the Soviet Union.

The argument in Congress is not over whether defense spending must be increased. The argument is over how much it must be increased. There is no support in Congress for an increase below the 2.8 percent recommended by the House, a level substantially lower than the 10 percent increase sought by the President.

The difference between the House figure and the President's figure is $10 billion. In other words, if we take the low figure for defense, we could reduce the 1984 deficit by only about 5 percent.

Myth: "We can solve the deficit by cutting waste and silly programs."

The argument is often made that Congress has no right to expect financial sacrifice from the public if it raises its pay and builds new buildings. I happen to agree. But the fact is that Congressional pay makes no material difference to the deficit. If Members of Congress worked for nothing, the deficit would be reduced by about two one-hundredths of one percent. If we abolish the entire legislative branch of government, the deficit would decline by less than 1 percent.

Nor is getting rid of waste a cure. Congress has a duty to seek greater efficiency in federal programs. But there is no package of anti-waste and anti-fraud measures that will have a significant effect on the deficit.

To illustrate the point, assume that Congress tries to balance the budget by preserving only those programs which are essential or universally accepted. Assume everything is wiped out except these items: interest on the debt, defense spending as proposed by the House, and outlays proposed by the President for social security, Medicare, Medicaid, federal pensions (both civilian and military), and unemployment compensation. The result is spending of $665 billion against Administration-proposed revenues of $660 billion—a budget in near balance.

We would have a government that performs seven functions.

We also would have a government no longer performing such functions as: national parks, job training, aid to education, aid to highway construction, child nutrition, aid to agriculture, air traffic control, courts, environmental control, economic forecasts, passports, the space program, cancer research, housing, low-income energy assistance, the Food and Drug Administration, and revenue collection.

In other words, no combination of noncontroversial reductions in defense, waste, and "secondary" programs will come close to balancing the budget.

Myth: "The recession is causing the deficits."

It is argued that economic recovery will take care of the deficits, that when enough people are back on the job the problem will solve itself. When the Senate Budget Committee analyzed the effect of recovery on the deficits, it found that even with full employment (now defined by economists as a 6 percent jobless rate), the deficits would average $156 billion through 1988. (Table Three.)

Simply stated, most of the deficit is built into present policies. It will not be removed by economic recovery, no matter how quickly it comes nor how robust its nature.

Myth: "Higher taxes alone will close the deficit."

Under current law, taxes in 1984 will be equal to 18.7 percent of GNP, a level in line with historical experience. Because of increases in social security payroll taxes, the gasoline excise tax, and "bracket creep" due to inflation, the net tax cut in 1984 will be about $18 billion, a far cry from the $130 billion tax reduction voted in 1981.

If we were to raise taxes by the full $30 billion sought by the House, revenues would be 19.6 percent of GNP, the net tax cut would be more than wiped out, and the deficit would be $170 billion, or 5 percent of GNP.

Even larger tax increases would not solve the deficit problem. They would, however, put at risk the fragile recovery that is occurring in the economy.

These budget myths, and others, are the stuff of wonderful campaign speeches. That they fail the test of reason scarcely reduces their attraction for many officeholders and candidates. Right up to Election Day in 1982, candidates were telling people that a little economic recovery and a little borrowing among the trust funds would fix the social security system.

But fairy tales don't solve problems.

To solve the problem of the deficit and do so with fairness, I believe, we must do a number of unpopular things at the same time. We must hold the line on domestic spending. We must restrain the growth rate of large and popular entitlement programs such as social security, Medicare, Medicaid, and federal pensions. While reconciling ourselves to a necessary rise in defense spending, we cannot give the Pentagon a blank check. We must accept the necessity of tax revenues higher than provided under current law.

During the Senate's work on the budget, the most courageous proposal put forward was a plan drafted by Senator Bennett Johnston. The Johnston plan would have put an across-the-board cap on the growth of domestic spending, including the major benefit programs; it would have exempted only the means-tested programs that protect the poor, programs such as Supplemental Security Income (SSI) for the elderly and food stamps. It would have increased taxes by $15 billion in Fiscal Year 1984. The proposal got Senator Johnston's vote, my vote, and 11 other votes. It lost 83 to 13.

On May 24, I presented to the Finance Committee a proposal to reduce the FY 1985–88 deficit by a total of $117.2 billion. My proposal would reduce the growth of spending by $60.2 billion over those four years. It would increase tax revenues by $57 billion. The savings on spending would be achieved by limiting the growth of social security, federal pensions and other inflation-adjusted entitlements which are not subject to a means test. The growth of these programs would be limited for four years to the rate of inflation minus 3 percentage points. The increase in revenues would be achieved by the same method—indexing taxes at inflation minus 3 percentage points.

The major entitlement programs account for about one-half of all federal outlays and benefit tens of millions of people. These programs have been the fastest-growing portion of the budget in recent years, far outstripping all other portions of the budget. (Table Four.) The Medicare program, for example, was started in 1970 at a cost of $7 billion. This year, outlays will be $59 billion. By 1990, outlays are expected to be $137 billion.

In 1983, payments to individuals under entitlement programs and other open-ended obligations will total $367 billion, or more than 45 percent of the entire budget. Of this $367 billion, social security, Medicare, Medicaid, railroad retirement, and federal pensions and insurance account for $300 billion, or 82 percent. You can pick up some votes by telling people we can do something about the deficits without restraining the growth of these programs. But it isn't so.

We cannot escape interest on the national debt.

The difference between the extremes on defense spending (about $10 billion) is not significant when viewed in the context of a $200 billion budget deficit.

Discretionary programs such as student loans, child nutrition, and general government have been squeezed dry for savings. (As a matter of fact, such programs as child nutrition, low-income energy assistance, scientific research, and job training should undergo some expansion.)

You cannot reduce the deficit if nearly one-half of all outlays (the entitlement programs) are off limits. You cannot reduce the deficit if taxes are off limits. Three unpopular steps must be taken simultaneously. We must restrain the growth of entitlement programs. We must increase tax revenues, and we must hold the line on non-entitlement spending. This is the only course of action that will have a significant effect on the gap between revenues and outlays.

I believe the deficits matter. Therefore, I will pursue the proposals I've put forward and I will support other proposals to put our budget house in order.

TABLE 1.—FEDERAL REVENUES, OUTLAYS, AND DEFICITS UNDER CURRENT POLICIES, FISCAL YEARS 1983–88

[In Billions of Dollars]

	1983	1984	1985	1986	1987	1988	Total 1984–88
Revenues	606	654	718	774	827	882	3,855
Outlays	801	855	929	1,000	1,074	1,150	5,008
Deficits	195	201	211	226	247	268	1,153

Source: Senate Budget Committee, Congressional Budget Office.

TABLE 1A.—BUDGET FIGURES, FISCAL YEARS 1958, 1983, 1988

[In billions of dollars]

	1958	1983 [1]	1988 [1]
Federal budget (outlays)	82.6	800.9	1,149.9
Budget deficit	2.9	194.6	267.5
National Debt (end of fiscal year)	279.7	1,348.8	2,644.9
Interest on public debt	5.6	87.3	131.7

[1] Estimate.

Source: Congressional Budget Office.

TABLE 2.—DEFENSE SPENDING, 1957–83

	Average defense outlays [1]	Percent [2]
President Eisenhower (1957–60)	$180.0	55.8
Presidents Kennedy, Johnson (1961–68)	176.2	49.3
President Johnson (1965–68)	204.5	45.3
President Nixon (1969–72)	208.9	40.8
Presidents Nixon, Ford (1973–76)	165.8	29.3
President Carter (1977–80)	168.8	25.1
President Reagan (1981–83)	199.1	25.8

[1] In billions of 1983 dollars.

[2] Averge share of budget outlays as percent of Federal spending.

Source: Congressional Research Service, Library of Congress.

TABLE 3.—STRONG RECOVERY FEDERAL DEFICITS AT 6 PERCENT UNEMPLOYMENT RATE, FISCAL YEARS 1984–88

[In billions of dollars]

	1984	1985	1986	1987	1988	Total 1984–88
Current policy deficits	201	211	226	247	268	1,153
At high employment	91	128	159	187	215	780
Amount of deficit closed by high employment	110	83	67	60	53	373

Source: Senate Budget Committee.

TABLE 4.—HUMAN RESOURCES SPENDING, 1957–83

	Average outlays [1]	Percent [2]
President Eisenhower (1957–60)	$68.9	21.3
Presidents Kennedy, Johnson (1961–64)	91.5	24.5
President Johnson (1965–68)	123.5	27.3
President Nixon (1969–72)	188.1	36.7
Presidents Nixon, Ford (1973–76)	278.0	48.6
President Carter (1977–80)	346.1	51.5
President Reagan (1981–83)	397.9	51.7

[1] In billions of 1983 dollars.

[2] Average share of budget outlays as percent of Federal spending.●

● Mr. BOREN. Mr. President, I am pleased to join Senator DANFORTH today in introducing a bill which serves as a step along the road to solving the overwhelming fiscal problems facing this country today.

The Danforth-Boren deficit reduction plan is not meant to be the all-encompassing answer to the prospect of $200 billion deficits for years to come. It is only one step in the right direction and it must be accompanied by other equally important steps.

The bill sets forth a two-part proposal. The first part amends the Internal Revenue Code to provide that the amount by which individual income tax rates and personal exemptions will be adjusted annually shall be the Consumer Price Index minus 3 percentage points. This adjustment would occur only for fiscal years 1985 through 1988. After fiscal 1988, the adjustments would return to being based on the full CPI, as under current law.

The second part of our bill provides that for the same 4-year period the cost-of-living adjustments for non-means tested entitlement programs will be determined by using the CPI minus 3 percent. These adjustments would also return to the full CPI base after fiscal 1988.

The result would be a $117.2 billion reduction in the deficit over that 4-year period. It would also result, Mr. President, in a very important recognition that we cannot solve the problem of a budget deficit that absorbs over 50 percent of the credit market, without involving everyone in the process.

I have spoken before of what has been called the one boat plan. The idea that we are all in the same boat in this fiscal crisis and we must all pull together to solve it.

It has been my experience in speaking to groups in my own State of Oklahoma and with others around the country that there is genuine and deep concern about the current condition of high interest rates and an economic recovery that is sluggish at best and is in danger of being choked off altogether.

There is also a feeling among these groups that they are willing to sacrifice to end these conditions, if they believe that everyone else is doing the same. No one wants to be singled out as the group upon whom the whip is to be laid to solve a universal problem if it will do no good because others are not also being asked to sacrifice. If we all hurt a little we will all be helping—and we will all then share in the fruits of a solid, growing economy.

The taxpayers rightly feel that they should not have to increase their tax burdens if we are just going to continue down the same road of runaway spending without restraint. Those who are disabled and elderly and who must depend on Government programs likewise feel that it is unfair for them to shoulder all of the sacrifice unless upper income groups also participate.

Not until all Americans have a sense that we are pulling together will we break out of the budget stalemate. This proposal is just a first step. Restraint on other discretionary spending programs is also needed. Salary restraint for Government employees must also be considered as well. Of course, if there is salary restraint for the postman or forest ranger, it should be for the Cabinet member or Member of Congress too. To complete the one boat concept, other additions will need to be made to the Danforth-Boren proposal.

Mr. President, many groups around the country have already looked with favor upon the Danforth-Boren idea. Among these are the U.S. Chamber of Commerce and the National Association of Realtors. I welcome their support and I urge other to view this plan in the spirit in which it is presented—as one step solving a large and complex problem. It is also a signal that Congress is now willing to deal with the entire budget. Our problems will continue if we declare any groups or any part of the budget off limits when sacrifices are considered.

I will be saying more about this bill and the conditions that give rise to it as time goes on.●

By Mr. MOYNIHAN:

S. 1628. A bill to authorize the Secretary of the Army to maintain and rehabilitate the New York State Barge Canal, and for other purposes; to the Committee on Environment and Public Works.

ERIE CANAL MAINTENANCE ACT OF 1983

● Mr. MOYNIHAN. Mr. President, I rise to introduce a bill to bring the Federal Government into a partnership with New York State to maintain and rehabilitate the New York State Barge Canal system. My bill, the Erie Canal Maintenance Act, would quite simply authorize the Federal Government to assume 50 percent of the annual costs to maintain the system. Control and ownership of the canal would continue to reside with the State of New York.

The New York State Department of Transportation has built a compelling case for support of this legislation. In recent years there has been growing concern over the deteriorating condition of the New York State Barge Canal system. At a hearing held in 1978 by the New York State Senate, both the Buffalo District Engineer of the U.S. Army Corps of Engineers and the director of the New York Waterways Association warned that if the deterioration continues at the present pace, the canal may have to be closed to commercial use within 10 years. This situation has not changed and the condition of canal facilities continues to deteriorate despite annual State expenditures of $15 million for operation, maintenance, and rehabilitation. New York State Department of Transportation studies have found that an additional $10 million per year is required for increased rehabilitation and dredging to halt this decline.

The New York State Barge Canal system controls and interconnects the flow of practically all of the major rivers and streams located in upstate New York. Consequently, maintenance of these rivers and streams at some level is essential. Abandonment of the canal is not an alternative. If the canal is to continue to function as a navigable waterway and also serve its flood control, water supply, hydropower, and recreational purposes, additional capital funds for reconstruction and major maintenance must be secured soon.

Because New York State is not able to provide the required funding, Federal funding for the barge canal appears to be the only means by which canal rehabilitation can be achieved. The canal is part of the national waterways system and half of the cargo carried on it is interstate in character. The Rivers and Harbors Act of 1935 authorized $27 million for improvements between Albany and Oswego which was increased in 1945 and 1962 to a total of $34 million. The work was completed in 1969.

The 524-mile New York State Barge Canal is the only State-operated waterway in the Nation. Despite the importance of New York's canal system to the growth and development of the Great Lake States and the entire Nation, not a single penny of Federal money is presently going into its improvement or maintenance. The construction of the barge canal by the State of New York without Federal participation is an example of how the citizens of New York met the challenge of an outstanding need using their own resources, only to see the Federal Government recognize the need and provide assistance to others.

The construction of the New York State Thruway before the Interstate System, the construction and revitalization of the State's mass transit system before the UMTA program, and the New York State rail program all reflect the foresight of the people of New York in recognizing and dealing with problems of national significance before the Federal Government could be mobilized to act on a national scale. The price for this leadership has been that historically New York's tax dollars have been used to solve problems in other States which New Yorkers had already solved for themselves.

While the people of New York support the operation and maintenance of the barge canal, the Federal Government spends approximately $1 billion annually for construction, operation, and maintenance of the 25,000-mile national inland waterway system. Construction of ongoing mulitbillion dollar projects, such as the Tennessee-Tombigbee Waterway, are financed by the Federal Government. The cost of operation and maintenance of these facilities is also borne by the Federal Treasury.

Water transportation projects undertaken by the Corps of Engineers have for years developed inexpensive transportation and hydropower for the South and West at the expense of States like New York. Federal outlays for water navigation facilities have almost tripled over the past decade to reach their present $1 billion level. During this period, New York State has received an average of $20 million per year, or just over 3 percent of total expenditures.

At the same time, New York State taxpayers paid 10 percent of each Federal tax dollar which was used to finance this program. The lion's share of Federal expenditures for the water navigation program has gone to Southern and Midwestern States like Alabama, Arkansas, Illinois, Louisiana, and Mississippi. For example, 47 percent of the 1983 Corps of Engineers budget is allocated to only three States: Alabama, $206 million; Illinois, $155 million; and Louisiana $101 million. New York's share is $23 million, or 2.3 percent.

The barge canal is a valuable national waterway which connects the Hudson River with Lake Champlain and the Great Lakes. It is important to interstate commerce in that over 60 percent of canal tonnage originates or terminates outside of New York. Substantial amounts of petroleum products are moved from the New York/New Jersey port area over the canal to Vermont. The canal is important to national defense because some 120,000 tons of jet fuel are shipped on it to Air Force bases at Plattsburgh and Rome, N.Y. It is also a water supply, flood control, power generating, and outdoor recreational resource for the State and the region.

The barge canal should be an integral part of a national inland waterway system to provide adequate water transportation facilities for movement of commodities such as coal and grain to coastal ports in pursuit of national economic objectives. The canal provides a water transportation alternative within an integrated transportation system through a major transportation corridor of the Northeast. It is also a significant national defense and emergency transportation facility.

The Federal interest in the barge canal is manifested by the presence of Federal locks at the canal's eastern and western termini. The Troy Lock at Troy and the Black Rock Lock at Buffalo are both operated by the Corps of Engineers. Also, the Federal Government invested $34 million in improvements to the Waterford to Oswego section of the canal between 1935 and 1969.

Any new Federal legislation on waterway financing should provide for inclusion of the New York State Barge Canal in the national inland waterway system. A past willingness to bear the cost of construction and operation of the barge canal should not exclude the citizens of New York from the benefits of the Federal waterways program. Transfer of the canal to Federal management would redress past iniquities in New York's participation in this program.

Inclusion of the Barge Canal in the national inland waterways system would mean that barge operators on the canal would be subject to the gasoline tax which is currently imposed on users of the national inland waterway system. It does not appear at this time that Reagan administration proposals to impose full cost recovery for all maintenance, operation and improvement expenditures will be successful. What appears more likely is a national uniform tax or fee, such as a refinement of the current inland waterway gas tax, to recover a portion of water navigation expenditures. A uniform national fee would not generate severe regional cost inequities because all operators would pay roughly the same tax on the ton-mile basis. The benefits of Federal management of the canal to barge operators and the people at the State would be substantial. Barge operators would benefit from higher Federal maintenance standards and from possible canal improvements.

A precedent exists for the transfer of the New York State Barge Canal to Federal ownership and control. The Illinois Waterway was taken over by the Federal Government at the request of the Governor of Illinois in 1930. The Federal takeover was authorized by the Rivers and Harbors Act of 1930.

The State of Illinois had embarked on the improvement of the Illinois Waterway in 1919. A $20 million bond issue had been approved by the citizens of the State to finance the project. By 1930, the State had spent $15.5 million, and the work was 75 percent completed. However, it had been found that the total cost of the waterway would be considerably in excess of the remainder of the $20,000,000 available for its completion. It was then proposed by the State of Illinois that the Federal Government take control over the waterway and spend an estimated $7.5 million on its completion in addition to the remaining Illinois bond funds. The State of Illinois was to dedicate as free public waterways all improved sections of the Illinois Waterway and the Chicago Sanitary and Ship Canal. Federalization of these waterways would complete U.S. ownership and control a waterway between Lake Michigan and the Mississippi River at Grafton. The proposal was adopted by the 71st Congress on April 7, 1930.

There are a number of significant parallels between the Illinois Waterway and the New York State Barge Canal as they relate to the Federal Government. In his report recommending approval of the Illinois Waterway proposal to the chairman of the Senate Committee on Commerce, the Chief of Engineers noted that—

> Interested parties point out that the $20,000,000 appropriated by the State constitutes a larger degree of cooperation than has been required of local interests by the United States in numerous other improvements of similar character.

Certainly New York State's investment in the barge canal constitutes a

substantial "degree of cooperation" by "local interests." Both waterways connect one of the Great Lakes with a major river which serves as a national highway for water-borne commerce. As with the Illinois Waterway before it was transferred to the Federal Government, the New York State Barge Canal is a resource of national importance which is in need of Federal assistance for its improvement. Without Federal assistance, this valuable resource will continue to deteriorate to the point where it will no longer function and its benefits will be lost to the State and Nation.●

By Mr. RIEGLE (for himself and Mr. BURDICK):

S.J. Res. 132. Joint resolution to designate the week beginning August 7, 1983, as "National Correctional Officers Week"; to the Committee on the Judiciary,

NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. RIEGLE. Mr. President, today I am introducing a resolution to designate the week of August 7, 1983, as National Correctional Officers Week. Identical legislation was introduced in the House of Representatives by my colleague from Michigan, Mr. TRAXLER.

Our Nation's correctional officers are responsible for over 600,000 inmates in U.S. prisons. They work in highly stressful situations where the risks are great. The public image of correctional officers is generally negative and has been fashioned more by dramatization than by fact.

I feel that it is appropriate that the dedicated people receive our appreciation and support for their work, and urge all of my colleagues to join me in this effort.●

ADDITIONAL COSPONSORS

S. 175

At the request of Mr. DECONCINI, the name of the Senator from Virginia (Mr. TRIBLE) was added as a cosponsor of S. 175, a bill to amend title 17 of the United States Code to exempt the private noncommercial recording of copyrighted works on video recorders from copyright infringement.

S. 551

At the request of Mr. ROTH, the name of the Senator from Georgia (Mr. NUNN) was added as a cosponsor of S. 551, a bill to amend the Tax Reform Act of 1976 to extend, for an additional 4 years, the exclusion from gross income of the cancellation of certain student loans.

S. 563

At the request of Mr. CHILES, the name of the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 563, a bill to reform the laws relating to former Presidents.

S. 737

At the request of Mr. MATHIAS, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 737, a bill to allow business to jointly perform research and development.

S. 766

At the request of Mr. RANDOLPH, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 766, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, to provide for the limitation of increases in sulfur dioxide emissions during that period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 800

At the request of Mr. STEVENS, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 800, a bill to establish an ocean and coastal development impact assistance fund and to require the Secretary of Commerce to provide to States national ocean and coastal development and assistance block grants from moneys in the fund, and for other purposes.

S. 860

At the request of Mr. HART, the name of the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 860, a bill to reauthorize and expand the hazardous waste response trust fund.

S. 875

At the request of Mr. MATHIAS, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 875, a bill to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes.

S. 1025

At the request of Mr. HATFIELD, the name of the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 1025, a bill to establish in the Federal Government a global foresight capability with respect to natural resources, the environment, and population; to establish a national population policy; to establish an interagency Council on Global Resources, Environment, and Population, and for other purposes.

S. 1206

At the request of Mr. PRYOR, the names of the Senator from Arkansas (Mr. BUMPERS), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 1206, a bill to amend titles II and XVI of the Social Security Act to make it clear that administrative law judges engaged in reviewing disability cases under the OASDI and SSI programs may not be rated or evaluated on the basis of the percentage of such cases which they decide in favor of or against the claimant.

S. 1350

At the request of Mr. LUGAR, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Virginia (Mr. WARNER), the Senator from North Carolina (Mr. HELMS), the Senator from North Carolina (Mr. EAST), the Senator from Nevada (Mr. HECHT), the Senator From Oklahoma (Mr. NICKLES), and the Senator from Idaho (Mr. SYMMS) were added as cosponsors of S. 1350, a bill to amend the Federal Election Campaign Act of 1971 to increase the role of political parties in financing campaigns under such act, and for other purposes.

S. 1356

At the request of Mr. D'AMATO, the names of the Senator from New Mexico (Mr. DOMENICI), and the Senator from Maine (Mr. COHEN) were added as cosponsors of S. 1356, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts with law firms for the collection of indebtedness owed the United States.

S. 1435

At the request of Mr. WALLOP, the names of the Senator from Wyoming (Mr. SIMPSON), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of S. 1435, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to housing opportunity mortgage equity accounts.

S. 1465

At the request of Mr. LUGAR, the names of the Senator from Utah (Mr. GARN), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 1465, a bill to designate the Federal Building at Fourth and Ferry Streets, Lafayette, Ind., as the "Charles A. Halleck Federal Building."

S. 1470

At the request of Mr. DANFORTH, the name of the Senator from Missouri (Mr. EAGLETON), was added as a cosponsor of S. 1470, a bill to amend the act of March 3, 1911 (36 Stat. 1077, chapter 211) to remove restrictions on the use of the Springfield Confederate Cemetery, Springfield, Mo.

S. 1475

At the request of Mr. WALLOP, the names of the Senator from Delaware (Mr. ROTH), and the Senator from Colorado (Mr. AMRSTRONG) were added as cosponsors of S. 1475, a bill to amend the Internal Revenue Code of 1954 to repeal the highway use tax on heavy trucks and to increase the tax on diesel fuel used in the United States.

S. 1566

At the request of Mr. ROTH, the name of the Senator from Forida (Mr. CHILES) was added as a cosponsor of S. 1566, a bill to amend title 5, United States Code, to provide civil penalties for false claims and statements made

to the United States, to certain recipients of property, services, or money from the United States, or to parties to contracts with the United States, and for other purposes.

S. 1569

At the request of Mr. PRESSLER, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 1569, a bill to authorize the Secretary of the Interior and other major Federal land managers to provide for the conservation and scientific study of vertebrate paleontological resources on public and Indian lands.

SENATE JOINT RESOLUTION 84

At the request of Mr. GARN, the names of the Senator from New Mexico (Mr. DOMENICI) the Senator from Calfornia (Mr. CRANSTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. MOYNIHAN), the Senator from Arizona (Mr. DECONCINI) the Senator from Idaho (Mr. MCCLURE), the Senator from Arkansas (Mr. BUMPERS), and the Senator from Florida (Mrs. HAWKINS) were added as cosponsors of Senate Joint Resolution 84, a joint resolution to desingate the week beginning June 24, 1984, as "Federal Credit Union Week."

SENATE JOINT RESOLUTION 85

At the request of Mr. THURMOND, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of Senate Joint Resolution 85, a joint resolution to designate September 21, 1983, as "National Historically Black Colleges Day."

SENATE JOINT RESOLUTION 116

At the request of Mr. KASTEN, the names of the Senator from Alaska (Mr. STEVENS), and the Senator from California (Mr. CRANSTON) were added as cosponsors of Senate Joint Resolution 116, a joint resolution to designate the week of September 4, 1983, through September 10, 1983, as "Youth of America Week."

SENATE JOINT RESOLUTION 120

At the request of Mr. SASSER, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Iowa (Mr. JEPSEN), the Senator from Ohio (Mr. METZENBAUM), the Senator from North Carolina (Mr. HELMS), the Senator from Vermont (Mr. STAFFORD), the Senator from Alaska (Mr. STEVENS), the Senator from Oregon (Mr. HATFIELD), and the Senator from Ohio (Mr. GLENN) were added as cosponsors of Senate Resolution 120, a joint resolution to provide for the awarding of a special gold medal to Danny Thomas in recognition of his humanitarian efforts and outstanding work as an American.

SENATE RESOLUTION 114

At the request of Mr. PRESSLER, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of Senate Joint Resolution 114, a resolution to express the sense of the Senate that certain rural fire protection programs should receive a level of funding for fiscal year 1984 which is at least as high as the level of funding provided for such programs for fiscal year 1983.

SENATE RESOLUTION 167

At the request of Mr. PRESSLER, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of Senate Resolution 167, a resolution expressing the sense of the Senate that the Federal Government take all necessary steps to promote travel to the United States by foreign visitors during the 1984 Summer Olympics and the 1984 Louisiana World Exhibition, to inform such visitors of recreational and commercial opportunities throughout the United States, and to facilitate their entry into and travel within this country.

AMENDMENT NO. 1485

At the request of Mr. STEVENS, his name was added as a cosponsor of amendment No. 1485 proposed to S. 675, a bill to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes.

SENATE RESOLUTION 175—RELATING TO LONG-TERM GRAIN AGREEMENTS

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 175

Whereas other grain-exporting nations have increased their use of bilateral multiyear grain agreements to export grain; and

Whereas the United States has negotiated only two multiyear grain agreements; and

Whereas expanding agricultural exports are important to a prosperous domestic farm economy: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretaries of Agriculture and State explore the possibility of negotiating additional bilateral, multiyear grain supply agreements to increase and maintain United States agricultural exports.

Mr. PRESSLER. Mr. President, today I am introducing a Senate resolution urging the administration to negotiate and enter into multiyear grain supply agreements with foreign nations. With agricultural exports and farm income declining, it is vital that we utilize every possible method to establish, expand, and maintain export markets, including negotiating long-term grain agreements.

In recent years, long-term grain agreements have become a significant factor in world grain trade. Grain-exporting nations are using these agreements to export more and more of their grain, but the United States has not taken an active role in this new marketing practice. Since 1980, the major grain-exporting nations of Canada, Argentina, and Australia have entered into 22 long-term grain agreements, and it is estimated that approximately 30 percent of world wheat trade in 1983–84 will be under long-term grain agreements. During this same time period, the United States has entered into only one new agreement and extended our agreement with the Soviet Union for 1-year periods. The United States currently markets only about 10 percent of its grain under long-term agreements.

The increased use of long-term grain agreements has reduced foreign markets for U.S. grain in many areas of the world. The best example of this is the Soviet Union which has agreements with Argentina for 4.5 million metric tons annually, Canada for 25 million tons over 5 years, Brazil for 500,000 tons of corn annually, Hungary for 400,000 tons of grain annually, and France for 1.5 million tons over 3 years. In addition to these agreements, the Soviets have an agreement with the United States to purchase a minimum of 6 million tons. The Soviet Union is committed to purchase at least 17 million tons of grain under these agreements and would be allowed to purchase several million additional tons from these countries under the agreements. the signing of these agreements since the 1980 grain embargo has significantly reduced the share of the Soviet market which is available to the United States. The long-term agreements have had a similar effect on several other grain-importing nations. We must protect our export markets with multiyear agreements.

The negotiation of long-term agreements also protects American farmers from losing markets as a result of political decisions. Two examples of this are the 1980 Soviet grain embargo and the current textile negotiations with China. During the Soviet grain embargo, the 8 million tons guaranteed in the agreement were delivered to the Soviet Union. China recently decided to curtail purchases of U.S. farm products as a result of problems with our bilateral textile trade. United States exports to China have fallen off dramatically, but China must purchase at least 6 million tons under the agreement. Perhaps our agricultural trade cannot be immune from political factors, but we can work to protect our markets through long-term grain agreements.

Other grain-exporting nations are effectively increasing their exports through long-term grain agreements and we should be doing the same. The U.S. share of the world wheat trade is

predicted to fall in 1983 to the lowest percentage since the early 1970's. The United States is losing export markets while grain surpluses continue to pile up. We must take every available action to protect our overseas markets. Long-term agreements have worked well for other countries, and even for the United States, so we should utilize them to their fullest extent.

I urge my colleagues to join me in support of this resolution, as all Americans will benefit from increased agricultural exports.

Mr. President, I ask unanimous consent that a summary of long-term grain agreements from the International Wheat Council, be printed in the RECORD following my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[Summary not reproducible for the RECORD.]

AMENDMENTS SUBMITTED

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1984

JEPSEN (AND OTHERS) AMENDMENT NO. 1495

Mr. JEPSEN (for himself, Mr. DURENBERGER, Mr. GORTON, Mr. ROTH, Mr. KENNEDY, Mr. STAFFORD, Mr. SASSER, Mr. HEINZ, Mr. LUGAR, Mr. PERCY, Mr. BOSCHWITZ, Mr. NUNN, Mr. HOLLINGS, Mr. GRASSLEY, Mr. DOLE, Mr. WEICKER, and Mr. ZORINSKY) proposed an amendment to the bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds that—

(1) in this Nation there exist millions of handicapped people with severe physical impairments including partial paralysis, limb amputation, chronic heart condition, emphysema, arthritis, rheumatism, and other debilitating conditions which greatly limit their personal mobility;

(2) these people reside in each of the several States and have need and reason to travel from one State to another for business and recreational purposes;

(3) each State maintains the right to establish and enforce its own code of regulations regarding the appropriate use of motor vehicles operating within its jurisdiction;

(4) within a given State handicapped individuals are oftentimes granted special parking privileges to help offset the limitations imposed by their physical impairment;

(5) these special parking privileges vary from State to State as do the methods and means of identifying vehicles used by disabled individuals, all of which serves to impede both the enforcement of special parking privileges and the handicapped individual's freedom to properly utilize such privileges;

(6) there are many efforts currently under way to help alleviate these problems through public awareness and administrative change as encouraged by concerned individuals and national associations directly involved in matters relating to the issue of special parking privileges for disabled individuals; and

(7) despite these efforts the fact remians that many States may need to give the matter legislative consideration to ensure a proper resolution of this issue, especially as it relates to law enforcement and placard responsibility.

(b) The Congress encourages each of the several States working through the National Governors Conference to—

(1) adopt the International Symbol of Access as the only recognized and adopted symbol to be used to identify vehicles carrying those citizens with acknowledged physical impairments;

(2) grant to vehicles displaying this symbol the special parking privileges which a State may provide; and

(3) permit the International Symbol of Access to appear either on a specialized license plate, or on a specialized placard placed in the vehicles so as to be clearly visible through the front windshield, or on both such places.

(c) It is the sense of the Congress that agreements of reciprocity relating to the special parking privileges granted handicapped individuals should be developed and entered into by and between the several States so as to—

(1) facilitate the free and unencumbered use between the several States, of the special parking privileges afforded those people with acknowledged handicapped conditions, without regard to the State of residence of the handicapped person utilizing such privilege;

(2) improve the ease of law enforcement in each State of its special parking privileges and to facilitate the handling of violators; and

(3) ensure that motor vehicles carrying individuals with acknowledged handicapped conditions be given fair and predictable treatment throughout the Nation.

(d) As used in this section the term "State" means the several States and the District of Columbia.

(e) The Secretary of Transportation shall provide a copy of this section to the Governor of each State and the Mayor of the District of Columbia.

WALLOP AMENDMENT NO. 1496

Mr. WALLOP proposed an amendment to the bill H.R. 3329, supra; as follows:

On page 26, line 1, strike the figure "$718,000,000" and insert in lieu thereof "$716,400,000".

SPECTER (AND OTHERS) AMENDMENT NO. 1497

Mr. SPECTER (for himself, Mr. BRADLEY, Mr. LAUTENBERG, and Mr. HEINZ) proposed an amendment to the bill H.R. 3329, supra; as follows:

Insert at the end of the bill the following general provision:

"SEC. . The Senate intends that the Benjamin Franklin Bridge connecting Philadelphia, Pa. and Camden, N.J. be given priority consideration by the Secretary of Transportation.".

DEPARTMENT OF DEFENSE AUTHORIZATION, 1984

JEPSEN (AND OTHERS) AMENDMENT NO. 1498

Mr. JEPSEN (for himself, Mr. EXON, Mr. THURMOND, Mr. HUDDLESTON, Mr. WARNER, Mr. LEVIN, Mr. MCCLURE, Mr. NICKLES, Mr. BUMPERS, Mr. HELMS, Mr. MATTINGLY, Mr. FORD, and Mr. RANDOLPH) proposed an amendment to the bill (S. 675) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes; as follows:

(1) On page 137, line 4, strike out "'ten'" and insert in lieu thereof "'eleven'".

(2) page 137, strike out lines 5 through 11 and insert in lieu thereof the following:

"(2) Section 136 of such title is amended—

"(A) by striking out 'Manpower and Reserve Affairs' in the fourth sentence of subsection (b) and inserting in lieu thereof 'Active and Civilian Manpower';

"(B) by striking out 'manpower and reserve component' in the fifth sentence of subsection (b) and inserting in lieu thereof 'active duty and civilian manpower';

"(C) by inserting after the fifth sentence of subsection (b) the following: 'One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Reserve Affairs. He shall have as his principal duty the overall supervision of all matters relating to reserve component affairs of the Department of Defense. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.'; and

"(D) by striking out subsection (f).".

(3) On page 137, line 21, strike out "'(10)'" and insert in lieu thereof "'(11)'".

MATTINGLY (AND OTHERS) AMENDMENT NO. 1499

Mr. MATTINGLY (for himself, Mr. WARNER, and Mr. RANDOLPH) proposed an amendment to the bill S. 675, supra; as follows:

At the appropriate place in the bill, add the following new section:

RESTRICTION ON FUNDS TO COUNTRIES NOT TAKING ADEQUATE MEASURES TO CONTROL ILLEGAL DRUG TRAFFICKING

SEC. . (a) None of the funds appropriated pursuant to an authorization contained in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported

through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

(1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application to such country of the prohibition contained in the first sentence; and

(2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.

(b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.

BYRD (AND OTHERS) AMENDMENT NO. 1500

Mr. BYRD (for himself, Mr. GARN, Mr. BENTSEN, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. DURENBERGER, Mr. EXON, Mr. HART, Mr. INOUYE, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. NICKLES, Mr. NUNN, Mr. SASSER, Mr. STENNIS, Mr. THURMOND, Mr. ZORINSKY, Mr. JACKSON, Mr. GLENN, Mr. DODD, Mr. TSONGAS, Mr. BIDEN, Mr. BUMPERS, Mr. MITCHELL, Mr. LEAHY, Mr. PELL, Mr. FORD, Mr. METZENBAUM, Mr. RUDMAN, Mr. LEVIN, Mr. DOMENICI, Mr. BAUCUS, Mr. MURKOWSKI, Mr. BOREN, Mr. WILSON, Mr. RANDOLPH, and Mr. PERCY) proposed an amendment to the bill S. 675, supra; as follows:

At the appropriate place in the bill, insert the following:

COMMEMORATIVE MEDAL FOR FAMILIES OF AMERICAN PERSONNEL MISSING IN SOUTHEAST ASIA

SEC. . (a) The Congress finds and declares that—

(1) 2,494 Americans, military and civilian, are listed as missing or otherwise unaccounted for in Southeast Asia;

(2) those missing or otherwise unaccounted for Americans have suffered untold hardship at the hands of a cruel enemy while in the service of their country;

(3) the families of these Americans retain the hope that they will return home, and the loyalty, hope, love, and courage of these families inspire all Americans;

(4) the Congress and the people of the United States are committed to a full accounting for, and release of, all Americans missing or otherwise unaccounted for in Southeast Asia; and

(5) the service of those missing and otherwise unaccounted for Americans is deserving of special recognition by the Congress and all Americans.

(b)(1)(A) The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized jointly to present, on behalf of the Congress, to those American personnel listed as missing or otherwise unaccounted for in Southeast Asia, to be accepted by next of kin, bronze medals designed by an artist who is an in-theater Vietnam veteran, in recognition of the distinguished service, heroism, and sacrifice of these personnel, and the commitment of the American people to their return. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be stricken bronze medals.

(B) There is authorized to be appropriated not to exceed $20,000 to carry out the provisions of subparagraph (A).

(2) The Secretary of the Treasury may cause miniature duplicates in bronze to be coined and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor, materials, dies, use of machinery, and overhead expenses), and the appropriation used for carrying out the provisions of this subsection shall be reimbursed out of the proceeds of such sale.

(3) The medals provided for in this subsection are national medals for the purpose of section 5111 of title 31, United States Code.

MATHIAS AMENDMENT NO. 1502

(Ordered to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be prepared by him to the bill (S. 675), supra, as follows:

At the appropriate place in the bill insert a new section as follows:

NEGOTIATIONS WITH THE SOVIET UNION REGARDING THE NUCLEAR-ARMED SEA-LAUNCHED CRUISE MISSILE

SEC. . It is the sense of the Congress that the President should, at the earliest practicable date, make every reasonable effort to include in the START negotiations with the Soviet Union the nuclear-armed sea-launched cruise missile with a view to the complete elimination of that type of weapon from the weapon arsenals of both the United States and the Soviet Union and should, as a means for advancing such goal, propose to the Soviet Union a mutual moratorium on any further deployment of nuclear-armed sea-launched cruise missiles for the duration of the START negotiations.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES

Mr. WARNER. Mr. President, I would like to announce for the information of the Senate and the public that the enhanced coal technology hearing previously scheduled before the Subcommittee on Energy and Mineral Resources for Saturday, July 16, in Blacksburg, Va., has been postponed until Tuesday, August 9. The hearing will begin at 1 p.m. and end at 5 p.m. in the auditorium of the Donaldson Brown Center for Continuing Education, Virginia Polytechnic Institute, Blacksburg, Va.

For further information regarding the hearing you may wish to contact Mr. Roger Sindelar at 202-224-5205.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Friday, July 15, for the consideration of the following bill:

S. 1101—to amend the National Aquaculture Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A REASSURING STEP FORWARD FOR UNITED STATES GREEK RELATIONS

● Mr. PELL. Mr. President, today's announcement of the signing of a new security agreement between the Government of Greece and the United States signals a reassuring step forward for our relations with that traditional and important American ally in the Eastern Mediterranean. Negotiations were prolonged, and reportedly contentious. But the two sides are to be congratulated for persevering to produce a new 5-year agreement that meets the political and security needs of each.

When the Papandreou government was elected in October 1981, it bears emphasis, such a successful negotiating outcome was by no means assured. Mr. Papandreou's platform included a pledge to pursue an eventual termination of the American presence, and his election triumph was resounding. With the previous agreement governing U.S. bases having expired, there was thus good reason for doubt concerning the prospects for a negotiated extension. At that time, my own guidance to the administration, stated in this Chamber, was to exhibit caution and magnanimity:

We cannot now be sure what lies in store for Greek-American relations. But as we survey the implications of Greece's recent election, we should—above all—take heart that the democratic process is alive and well in its birthplace. The Reagan Administration may reasonably expect to find working with Mr. Papandreou a challenge considerably more difficult than getting along with a dictatorial regime, such as that which held Greece in its grip for 7 agonizing years. But a constructive American effort to do so will be a far more noble effort, and will certainly, over time, prove far more beneficial—both to Greece and to the United States.

Fortunately, the Reagan Administration has displayed precisely the quiet patience required. Consequently, assuming this ad referendum accord is approved by the Greek Parliament, we now have the opportunity to renew an historic bond that can continue to serve both nations well. To be sure, well-known sources of bilateral tension remain, and warrant serious concern. But the signing of a formal new security agreement offers a firm basis for resolving those issues in close and cooperative partnership with the democratic Greece to which we remain committed.●

BIG RETURNS FROM THINKING SMALL

● Mr. HUDDLESTON. Mr. President, as a member of the Small Business Committee I have learned that a healthy atmosphere for small business is of vital importance to our economy and our society.

Data now being produced on the small business sector is proving what many of us have instinctively known for a long time. Small business has made, and continues to make, a major contribution to our Nation.

In the area of employment, small business is a leader. The President's report on "The State of Small Business" shows that small business employs almost 50 percent of the nongovernment labor force in this country. In job creation, small business has been found to have created an astonishing 86 percent of the Nation's new jobs in recent years.

In the fast-paced, competitive world we live in, technological improvements and innovations have become crucial to the continued prosperity of our economy. Statistics produced by the Small Business Administration, and the Senate Small Business Committee, reveal that small companies have created more than half of the new service and product innovations of recent years.

Since it can be convincingly shown that small businesses do make significant contribution to our economy, it makes good sense to aggressively pursue the goal of creating an atmosphere that is conducive to the growth and prosperity of small business.

As a member of the Senate Small Business Committee, I have been actively promoting public policy that creates this atmosphere for small business, and I believe that we have been very successful. At the Federal level, there are a number of sound small business programs which are aimed at promoting capital formation, reducing stifling regulation, and providing reasonable financing, technical assistance and managerial guidance.

However, the public side can only take us part of the way in generating small business growth. All of the governmental assistance imaginable is not sufficient if the private sector is unable to provide the ideas, motivation and hard work that is necessary for every successful business.

I am very pleased to report that Kentucky is becoming a leader in small business development, and one of the most active areas within the State is Louisville.

In the February edition of Louisville magazine, there is an excellent article that describes how Louisville is benefiting from the activity of small entrepreneurs. The article points out some of the past success stories, such as Humana, Inc., and goes on to show how the ingredients are present for creating more success stories. By skillfully combining these ingredients, innovative small business people can improve their own fortunes and at the same time help the local economy recover from the worst recession since the depression.

I ask that the article "Thinking Small" be printed in the RECORD.

The article follows:

THINKING SMALL

Louisville-area forecast for 1983: variable economic weather with enterpreneurism developing across the entire region.

The dictionary definition of the entrepreneur is "the organizer of an economic venture, especially one who organizes, owns, manages, and assumes the risk of a small business."

And small business, many observers assert, is where the action is. In fact, Dr. David Birch of the Massachusetts Institute of Technology, who has probed deeply into business changes through time across the entire U.S. has found that two-thirds of new jobs in the nation are created by new small firms with only a handful of employees—20 at the most.

Even more impressive is his finding that nearly 80% of new jobs are created by firms less than four years old—and that most of them have 100 or fewer employees.

(Birth is no stranger to Louisville. He has been here twice recently, speaking to such groups as Leadership Louisville, Project 2000, Forward Louisville, the Community Educators Association and the County Board of Education.)

Moreover, Birch adds, the loss of jobs—although distressing to any community—is not where attention should be focused. His studies show that every community loses jobs at a rapid rate. That's not a real measure of economic problems, he holds. "Houston loses more jobs every year than Detroit."

The trick, he says, is to create replacement jobs. Since small new enterprises founded within the community are by far the largest generators of new jobs, small business is the area where attention should be directed, he advises. In fact, the creation of significant levels of employment through a large business or industry relocating into a community is negligible, despite occasional coups, his statistics show.

"How often will a General Electric come to Louisville?" He asks. Moreover, the large industrial plants of the future will be largely automated, he adds, and employ a minimum of workers. Growth will come, Birch posits on the basis of present trends, from enterprises where the though content of the work is more important than muscles and manual dexterity, where the emphasis is more on human capital than on physical capital.

A quick glance at this community's recent economic history bears out the premise of the man from M.I.T. Some 73,000 new jobs in the Louisville metro area were created during the 1970s in the services sector of the economy—the sector that does not turn out a manufactured product. This more than outpaced the loss in manufacturing jobs during the decade. But there was a disturbing trend toward the end of the period, when creation of new jobs in non-manufacturing did not replace all those lost in factories.

The community's recent history also demonstrates that small local enterprises with a handful of employees, but a better idea, have the potential to grow to large enterprises with many employees.

The saga of Col. Harland Sanders, who founded Kentucky Fried Chicken in his sunset years with little capital, is well known. Its corporate headquarters along the Watterson Expressway is a monument to small enterprise grown large.

Humana, the international hospital operating and management company founded by young attorneys Wendell Cherry and David A. Jones just over 20 years ago, has leaped ahead to become a leader in its field—and is now erecting a 26-story corporate headquarters building downtown.

Meidinger, Inc., specializing in employee-benefit plans and actuarial consulting for businesses, started small but has achieved a nationwide clientele and recently moved its corporate headquarters into Meidinger Tower, part of the downtown Galleria complex.

And there is Al J. Schneider, who started his career as a carpenter, founded his own small home-construction business and then moved into commercial development with a sure sense of what would succeed, undertaking projects where others proved faint-hearted. His latest is the $70-million hotel-apartment-office complex at Fourth and Main, adjacent to his Galt House.

Add to this list the adventures of the Peden brothers and Convenient Food Mart stores, along with the related enterprises they founded.

These are the briefest samplings of the entrepreneurial spirit that has given this community numerous recent home-grown enterprises that are making waves. Other examples include Druther's fast-food chain and Chi-Chi's Mexican restaurants; New Albany's Robinson-Nugent, Inc., which has secured an international foothold in the market for electronic-device connectors; and Audio Systems, Inc., which recently opened its new plant in Station Park to produce the micro-processor-controlled stereosound systems it has developed for luxury cars.

Entrepreneurs come in all fields. Louisville, for example, is now home base for *Rainbow*, a new magazine read avidly by owners of home color computers. So avidly that the monthly publication, founded less than two years ago with one subscriber, now has over 20,000 paying readers and projected revenues this year of over $1 million. It is published by computer freak Lawrence Falk, who left his post as head of the University of Louisville's public information office last fall to devote full time to the magazine.

Falk's experience proves that economically uncertain times are no bar to the entrepreneur with a good idea. In fact, recessions seem to spawn small enterprises. Sometimes, as one Louisvillian remarked, it's not planned: "A fellow wakes up in the morning and finds he's an entrepreneur by default because he's lost his job and has to hire himself."

But recessions also, almost perversely, ease the path in some ways. A new retailer finds that shopping centers are willing to make concessions on rent and pay remodeling cost; large businesses, anxious to cut expenditures, are more receptive to money-saving services offered by ambitious entrepreneurs; consumers monitoring their dollars, are interested in new products with long life, even though the initial cost is higher than throw-away goods.

Still the entrepreneur has to be one of a special breed, willing to put in long—often discouraging—hours with little financial

reward at first. Money is almost always a problem: lending institutions are wary of new, untried businesses. They want to see a track record of four or five years, so the entrepreneur has to somehow stay the course, raising money through a home mortgage, borrowing from friends and/or family, depleting savings, finding partners with investment funds, hoping vendors will be lenient on overdue bills.

The motivations for starting a business are varied. For Thomas Gillespie, who founded Technical Products, Inc., here in 1962, the motivation was pecuniary. "I thought I was worth more than I was getting paid," he says. So he quit his job selling industrial chemicals and founded his own firm.

"I had a loss at first," he recalls ruefully, "and at the end of my first year the main product I handled was taken out of my hands when the manufacturer adopted a different distribution method."

Gillespie and his single employee, the delivery-truck driver, wondered what the future held. But the firm survived and by 1976 was so successful that it began acquiring other local chemical distributors, broadening the product line. Now Gillespie has branches in Owensboro and Lexington and a payroll of 21 employees.

His biggest problem at first was lack of operating capital. His advice to new entrepreneurs: "Don't be surprised by anything; expect the unexpected."

Robert Holloway is another small entrepreneur who has been through the mill. When he opened the Middletown Manor Motor Court in 1955, he gave up a secure job with an Alcoa Aluminum subsidiary. His motivation? "My father was a small businessman and so were all my brothers. I thought I would be happier, and that my family would be too—and that certainly has been true," Now he also owns three local swim clubs and recently bought a 25% interest in the Quality Courts Motel in Frankfort.

Holloway's most pressing early problem has a familiar ring: "I always had trouble getting financing." Even though he could have earned more on a corporate payroll, he's never regretted his move. But there were mistakes along the way. "I turned down a McDonald's franchise 22 years ago," he admits.

One of this community's newest ventures is geared up to help hopeful entrepreneurs through those difficult early years. Boca Enterprises, launched 18 months ago by Tom Jeffries and Pete Droppelman, "takes ideas and turns them into reality," Jeffries explains.

Both founders have prior experience as partners in successful small businesses and, as often happens, they got into their new enterprise accidentally. They had invented a drip-free paintcan lid that the consumer can use to replace the metal lid that comes on the can.

As they went through the process of getting a patent, assessing the market potential, looking for an interested manufacturer (they've found one) and all the other steps a budding entrepreneur must take, they learned a lot.

"Then people started coming to us with an idea for a product or a service or an invention and tapping our experience," Jeffries says. They sold their business interests and founded Boca Enterprises to market their knowledge.

They assess ideas and follow through with their know-how on those that have merit, including a search for venture capital. They've also prepared a guide to help fledgling businesses get funding from conventional lending sources. "With a good idea and the proper presentation, financial institutions will often respond favorably," Jeffries declares.

Reaching back into history, we find a consistent pattern of locally founded businesses providing the fabric of Louisville's economic endeavors. Starting years ago as the tiniest of firms, they have long since become local stalwarts.

Brown-Forman Distillers had its start in George Garvin Brown's idea in 1870 to bottle Bourbon of consistent quality, under the Old Forester label, in contrast to the usual practice of selling it to dealers in barrels who then bottled it and adulterated it as they pleased; Belknap, Inc., which since 1840 has taken advantage of Louisville's prime position as a distribution center; Hillerich & Bradsby, a woodworking shop that found its true niche in making baseball bats and now other sports equipment as well; Louisville Cement Company, building its operation on the area's abundant limestone resources; and Jeffboat, tracing its lineage to the Howard Shipyards and the days of the great river packets.

Fischer Packing Company was founded by a German immigrant who peddled his wares by horse-and wagon and built his enterprise on a better idea: the pre-cooked ham sealed in a can. American Air Filter had its origin in William Reed's auto repair shop of the 1920s where he found a way to keep dust from settling on newly painted cars.

Other locally founded enterprises continue in a different guise as local operations of large national corporations. Examples include: Philip Morris Inc., now enlarging and modernizing what once was Axton-Fisher Tobacco Company; Chemetron Corporation, whose products include the Votator, invented by Lousivillian Clarence W. Vogt and widely used in the food-processing industry, and the curved pipe fittings (known as Tube Turns) that can be welded in place—an innovation introduced by Lousivillian Walter H. Girdler.

In this group also are ARCO Metals, which had its genesis in the Louisville-based Cochran Foil Company founded by the late Archibald Cochran; Celanese Corporation, whose local operation is derived largely from the former Jones-Dabney Varnish and Peaslee-Gualbert paint companies; and United Catalysts, based on the former Catalysts & Chemicals, founded in 1957 on a modest scale by the late Dr. Ronald E. Reitmeier.

It's no wonder that M.I.T.'s David Birch feels that one of this community's strengths is its entrepreneurial tradition—a tradition that will stand the community in good stead in the difficult years ahead as the decline in manufacturing jobs is expected to continue to mirror the nationwide trend.

But if the bulk of new jobs in the future must be created within the community, who are the entrepreneurs who will create them and what kinds of jobs will they be? That is the issue that the Lousiville area must address.

Analysts agree that the jobs will be different, with white-collars taking precedence over blue-collars, and they will have a high thinking content—what Birch calls 'thoughtware.' And it will take a lot of thinking to determine this community's best direction.

Louisville has strengths to meet these challenges and it also has areas that badly need shoring up. Its strengths, as Birch sees them are: adequate capital resources, central location (especially suited to be an important point in the nationwide telecommunications network that is beginning to develop), and a desire to take action.

Its problems center on its educational system. The primary and secondary schools, while improving significantly in traditional methods, are not yet turning out enough bright, motivated youngsters equipped to take on the 'high-tech' jobs of the future. Moreover, it has not used its capital resources to build up its colleges and universities to first rank, although the potential for excellence is there.

One glaring example of the lack of an adequate thoughtware-oriented workforce was the fact that Capital Holding Corporation recently was forced to import computer programmers from England for a special project. "If Capital Holding had attempted to meet its needs locally, it would have stripped all other computer operations in the area of programmers," Birch points out.

Does all this mean that to remain economically viable Louisville must cast its lot with silicon chips and micro-processors and advanced circuitry? Not at all, although Birch warns that computer literacy must be widespread.

Aaron S. Gurwitz, writing in the *Wall Street Journal*, notes that every urban area in the U.S. now has dreams of becoming a new Silicon Valley—a new center of computer design and production where small entrepreneurs become multi-millionaires seemingly overnight. Any community entering that race is in an overcrowded field, he warns.

Instead, Gurwitz suggests, each community should assess its own situation and tailor its future direction to its own special resources. California's Silicon Valley and the similar development around Boston came about because those areas have as a resource the finest research universities in the nation.

But one suggestion of a high-tech future for Louisville—building on its resources—comes from Dr. Lawrence Berlowitz, academic vice-president and provost of Clark University in Worcester, Mass. A biologist noted for his work in genetics, Berlowitz was here to speak to the current Leadership Louisville class.

"Louisville should look into biotechnology," he declares. "You have all the necessities in place." And just what is biotechnology? It is technology applied to biology, a field that is entering a period of explosive growth. "It is the use of biological micro-organisms to make a product," Berlowitz explains. "The use of yeast—an organism—to turn grape juice into wine is perhaps the oldest example."

In other words, fermentation is an element of biotechnology. Berlowitz notes slyly that: "I believe that there's a lot of knowledge about fermentation in Louisville." But the process that's an essential element of making Bourbon is only the starting point for biotechnology.

It is now breaking new frontiers by genesplicing: the technique of inserting genes from one organism—even human genes—into micro-organisms so that they produce a desired product biologically.

Human insulin for use by diabetics is already in limited production through the technique and Berlowitz notes that production of interferon to combat cancer may not be far off. An accumulating body of knowledge in biotechnology will be applied to

food production and processing, he predicts. Louisville has a stake in both fields.

Moreover, in the University of Louisville, the community has a medical school, an engineering school and graduate programs in such basic sciences as chemistry. "This city now has an edge in the biomedical area that can be translated to biotechnology with the proper nurturing," Berlowitz declares, thus creating an atmosphere favorable to the entrepreneurs plunging into the field.

These enterprises need lots of low-cost space in the beginning and Louisville's older industrial buildings—some standing unused—can provide it, just as the New England thoughtware business found a home in the former textile and shoe plants.

Too, as the new science grows there will be a skyrocketing demand for biotechnologists, Berlowitz says. If Louisville takes the proper steps now, it can become one of the world centers for training and research, while its engineering school can turn out the engineers who translate laboratory discoveries into production procedures.

Blue-sky thinking? Not if Louisville's institutions of higher education and local industry work together for their mutual benefit, perhaps developing a joint research park and instrumentation center that could also be involved in areas other than biotechnology, Berlowitz declares.

In any event, it is the kind of advanced thinking that Louisville needs to ponder as it approaches the 21st Century—less than 20 years away.●

AN URGENT NEED FOR SCIENCE: AN INVESTMENT IN OUR FUTURE

● Mr. EAGLETON. Mr. President, on June 23, Senators DANFORTH, BRADLEY, CHAFEE, KENNEDY, MOYNIHAN, PELL and myself introduced S. 1537, the University Research Capacity Restoration Act of 1983. This legislation sets forth a 5-year, $5 billion commitment to restoring American leadership in basic science by addressing the following six basic needs:

First, to augment and strengthen Federal support for fundamental university research programs, including biomedical and engineering research;

Second, to upgrade, modernize, and replace the instrumentation and equipment of university research facilities and laboratories;

Third, to provide increased numbers of graduate fellowship awards to individuals and university science departments engaged in federally supported research;

Fourth, to support expanded faculty development awards programs that promote the initiation of research careers by young faculty;

Fifth, to support efforts, on a matching basis with the institutions involved, to rehabilitate, replace, or otherwise improve the quality of existing university research facilities and laboratories in which federally supported basic science and engineering research is carried out; and

Sixth, to improve undergraduate science and engineering instructional programs.

Mr. President, a recent Ferguson lecture by Dr. George E. Pake, at Washington University in St. Louis, is an extremely cogent statement of the need for this country to renew its commitment to education, research, and development to assure its continued place as a world leader in advanced technology. I ask unanimous consent that the text of Dr. Pake's lecture, entitled "Technological Leadership: An American Achievement in Jeopardy," be printed in full in the RECORD, and commend this thoughtful review of our country's past commitment to scientific excellence and the critical need to sustain the investment in our country's university research capacity.

The text of Dr. Pake's lecture follows:

TECHNOLOGICAL LEADERSHIP: AN AMERICAN ACHIEVEMENT IN JEOPARDY

I. INTRODUCTION

It is always a pleasure for me to return to this campus. Washington University accorded to me, as a young scientist and very junior faculty member, an absolutely ideal environment in which to do science, to grow professionally, and—very important to me—to work closely with my students. I owe this university many debts of gratitude that I shall never be able to repay.

The Ferguson Lectures over the years have set an exacting standard, and it is with some trepidation that I attempt to follow in the high tradition established by the distinguished men and women who have appeared on this rostrum.

When I joined the faculty of Washington University in 1948, the nation was in the process of dedicating itself to a postwar rebuilding task, particularly in its educational and economic sectors. As we are now able 35 years later to look back at that time, we recognize that it was the beginning of a golden era in our scientific research and technological development.

In 1983, we are not in a golden era of the nation's interest in supporting scientific research. Measured in relation to the Gross National Product, the nation's participation in R&D more than doubled from 1953 to 1964. After four years at the high watermark level, it declined steadily over the decade from 1967, and has been about level since 1978 at three-fourths of the high plateau percentage. (We shall look at the data later.)

The general decline since 1967 in our emphasis on R&D can, to some degree, be understood by recalling and studying in detail the series of year-to-year political events of the last three decades. What I seek to do here is to look at the picture more broadly, in relation to longer range national policy. If one imagines bringing an intelligent and impartial observer from another planet—or even from another nation—to the United States to examine our situation, our reduced emphasis on R&D would make little sense to him. After World War II, the U.S. surged over the two decades to world technological leadership. Surely most analysts would consider that it was our technological leadership which brought advances in productivity and attendant generation of national wealth, and which has in turn enabled us to afford the massive social and economic gains in this nation that have occurred since World War II and through the 1970's. Yet the picture one now sees is that of the U.S. with its eye no longer on the technological ball, allowing its R&D investments and educational systems to decay.

My thesis this morning is the expression of concern that the nation will continue to flounder technologically and economically until its leaders, in government and in industry, fully understand the role of—and necessity for—long-range investments in research and in substantive education. I believe these investments are essential if the U.S. and indeed the world is to have the economic means both to support burgeoning populations and to cope with the inevitable side-effects of such large populations: strain on food, water and other material resources, environmental pollution, and the social pollutions of crime and pestilence—which accompany overcrowding and deprivation. Necessary to coping with every one of these problems is more science (that is, more knowledge and understanding) and more of its application (that is, more technology) in the problem areas. I recognize that other social and political factors are required for handling these problems and that world leading technology in and of itself, is not sufficient. My point is that it is absolutely essential and we are in danger of not having this particular critical necessity.

To avoid this danger, I contend that the U.S. must attach far higher priority to restoring and maintaining the nation's science and technology education and training capabilities. We must increase our national investment in R&D as the basis for developing greater national productivity and economic vigor.

II. THE EDUCATION, RESEARCH, AND DEVELOPMENT MACROSYSTEM

Instead of talking about R&D, it is time that we begin to speak of E, R&D—where E stands for Education. The requirement that a nation have a strong educational system if it is to be technologically strong may seem self-evident. However, beyond the basic need for our educational system to produce a large pool of people who know the 3R's, an important change in the nature of technology has occurred in the past half century—and this change places on the educational system a heavier role.

The point I am making is that inventions of ultimate technological and economic significance once could be made by intelligent, persistent tinkerers with little formal higher level education. Edison, the Wright brothers, and Henry Ford come to mind. Modern technological advance is a different story. It typically requires as background a deep understanding of a scientific and technical base. Consider the transistor, the laser, or synthetic insulin.

In fact, if I were charged with establishing conditions for technological innovation—as indeed I was by Xerox in 1970—I would list the following requirements:

(1) Scientific or technological education and training;

(2) Sophisticated instrumentation;

(3) Long term goals;

(4) Stable funding; and

(5) Freedom, within a sense of overall direction, to explore new concepts.

You don't find these associated with tinkering in a basement or a garage.

Please note items 1 and 2 on the list. A formal university background is almost always essential for individuals who will meet requirement 1 and be able to work with the instrumentation of requirement 2. Thus the modern R&D enterprise is inextricably linked with the research university,

which draws its graduate students from the colleges. There is a great big E that comes before R&D; I shall refer to the E,R,&D macrosystem.

III. THE STATE OF THE E,R,&D MACROSYSTEM

A casual examination of the business and trade press might suggest that the E,R,&D enterprise in the U.S. is healthy and flourishing. Headlines from adjacent pages of a late 1982 periodical include "National, Industrial R&D Spending Continues Up" and "Pace of Industry-University Cooperation Quickens". But the optimism of those headlines is increasingly being challenged by a number of leading individuals in technological industry and in research universities who point to fundamental weaknesses—and even pathologies—in the American high technology organism. Leaders who have recently spoken out publicly on some of the problems in E,R,&D, and high technology industry include Richard Mahoney, Chief Operating Officer of Monsanto; William Norris, Chief Executive Officer of Control Data; John Opel, Chief Executive Officer of IBM and Ian Ross, President of Bell Laboratories, among others. Such a collective view is not to be taken lightly.

These problems of the E,R,&D system have global impact, and the general health of the high technology enterprise in the U.S. is not just a parochial matter for this nation. When we take into account the essential sub-systems of basic research and graduate education, world progress and participation in modern advanced technology has been heavily dependent upon a vigorous E,R,&D system in the U.S.

How can we measure the relative health of our E,R,&D system? One significant index, mentioned at the outset of this lecture, is the portion of its gross product that a nation chooses to invest in the generation of future product through R&D. (Comparative data on the E portion are difficult to obtain or to interpret.) During the two decades of its post-war investment strategy, the U.S. steadily increased the fraction of GNP devoted to R&D, until by 1964 it had more than doubled. Figure 1 indicates that, after about four years at a plateau near a 3.0% peak, a slow and steady decline set in, to the 2.3% or 2.4% level. Other nations, notably West Germany and Japan steadily increased their investment during the period of the American decline. The Soviet Union has taken its investment up to the 3.5% level, but comparisons with the Free World economies are difficult. Much of Russian R&D is oriented toward the military, and in any event, its civilian R&D has small impact on world markets.

However, a substantial portion of U.S. R&D also is directed toward military requirements rather than developing commercial products. When civilian R&D expenditures are compared for the U.S. and its major trading partners (Fig. 2), we are observed to fall well below West German and Japan. (All these data are from the National Science Foundation.)

Another indicator is the number of patents granted to U.S. inventors, both by the U.S. and by foreign countries. Figure 3 shows that, according to NSF data, the number of U.S. patents granted to U.S. inventors has dropped from between 50,000 and 55,000 per year to 40,000 per year. (Foreign patents granted to U.S. inventors dropped even more sharply during 1972-76.) In contrast, U.S. patents granted to foreign inventors have slowly grown from about 20,000 to about 25,000 per year. Trends in numbers of patents are subject to some variations in interpretation (for example, research shifting more toward software-intensive activity could affect the numbers), but the contrast of decline with growth is surely disturbing from the U.S. point of view.

It is also important to look at U.S. basic research activity, both because it measures the vigor of our university graduate training system (most of our basic research is performed by universities) and because basic research is the longest range investment and therefore requires the greatest time to repair underinvestment. Figure 4 presents the U.S. annual basic research investment, from all sources, expressed in constant 1972 dollars. Look at the solid line. The nearly flat investment since 1968 for a growing nation is not encouraging. But I believe the situation is worse than the graph suggests. It is widely recognized that the inflation in research costs generally exceeds inflation in the CPI. Lack of a precise research cost index leads to use of the CPI in drawing the chart.

What about the state of the E portion of E,R,&D—our educational system which ultimately feeds the scientists, technicians and executives into our high technology enterprises? John Opel, now chairman of IBM, states that "the United States is slipping in the race to strengthen the capabilities of its people: talented, educated, and trained human beings—the ultimate resource of any nation."[1] He then summarized the deterioration of elementary and secondary mathematics and science education in the U.S., and the worsening aptitude and achievement scores of our high school graduates.

Just to cite one example, I have read that in Chicago there is only one physics teacher for every two high schools, and that fewer than 10% of Chicago high school students take one year of physics. Only about 16% take one year of chemistry, And in a science test for 14 year old students from 19 countries, the U.S. ranked fifteenth and Japan ranked first.[2]

This sorry situation of course ultimately reflects itself in the circumstances of our engineering schools. President Thomas L. Martin of the Illinois Institute of Technology has collected together a grim statistical picture.[2] In the U.S. only 6% of all degrees awarded are in engineering, whereas it is 37% in West Germany and 21% in Japan. With half our population size, Japan graduates 5000 more electrical engineers each year than we do. Overall, Japan has six times as many engineers per capita as the U.S. (But we lead in accountants, and lawyers: we have 13 times as many lawyers per capita and 20 times as many accountants per capita as Japan. Reflect what these numbers must mean in terms of the proportion of effort devoted to creativity and generation of wealth versus overhead functions.) Among U.S. citizens, the number of Ph.D. degrees in engineering disciplines is down 50% in the past 10 years. About half of all graduating engineering Ph.D.'s in the U.S. now are nonresident aliens. For a variety of reasons, between 10% and 15% of all the engineering faculty positions in the U.S. are unfilled because qualified candidates are unavailable at the prevailing salary levels.

Engineering faculty shortages are particularly severe in computer systems and in microelectronics. Data indicated that 17% of faculty positions in computer science and technology are vacant. The scarcity of trained people has been bidding up industrial salaries at a time when university resources have been seriously eroded by inflation. U.S. universities produce only about 250 computer science Ph.D.'s annually—about the number that just one major corporation states in 1980 it sought to hire each year! Industrial salaries and modern equipment thus draw many faculty members away from the university, and venture funding combines with the low-capital, quick-transfer nature of software to draw some of the systems researchers away from the larger industrial laboratories. Along with student training, basic research suffers all along the line.

Whether in semiconductor processing or in computer system architecture and software, U.S. universities are therefore relatively weak in computer science and technology compared to their strengths in many other fields. They are lacking in both a full complement of trained faculty and enough of the necessary expensive modern equipment. While there are substantial numbers of undergradute students interested in learning about computers, unfortunately there are relatively few American graduate students who could, if present, help in part time teaching of these undergraduates and, after achieving the doctorate in computer science or technology, would go into frontline contributing and leadership positions in industry or higher education.

With respect to equipment, the universities across the board have an accumulated backlog of obsolete equipment that needs replacing. There are serious problems in most of the laboratory sciences such as physics, chemistry, and biology. An especially crippling problem is the lack of modern computing research equipment in universities to carry forward architecture and systems software research on such topics as distributed computing, networking, and data base management. University equipment deficiencies here must be considered in the context of the broad obsolescence of instrumentation in the established fields of science and engineering. The National Research Council is mounting an effort to diagnose the overall ailment, with some indications of partial remedies from federal agencies. But programs aimed at revitalizing established areas of science are not likely to enable establishment of computer systems research in the first place.

IV. ROLES OF GOVERNMENT, INDUSTRY, AND RESEARCH UNIVERSITIES

If we are ultimately to be in a position to prescribe for the health of the E,R,&D system, we should understand the relative roles of industry, government, and the universities both in funding R&D and in performing it. Because the data are collected without what I would regard as proper consideration of the E component, even at the graduate training level, all the data I shall present are just for the R&D portion of the system. Statistical data on R&D activities and funding are available from the National Science Foundation in a series of detailed publications. In 1980, the most recent year for which there are complete data, total U.S. R&D activity represented an expenditure of $61.1B. Figure 5 shows how this activity was distributed over basic research, applied research, and development: two-thirds of the total activity is Development; of the Research, two-thirds is applied.

Figure 6 presents the distribution of this total R&D among the sources of funding. In recent years, direct investment by private

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[1] J.R. Opel, Science, 217, 1116 (1982).

[2] Thomas L. Martin, Jr., Fermilab Roundtable on Technology Transfer and the University.

industry in R&D has been steadily growing as a percentage of total R&D. Another way to describe this situation is that Federal funding of R&D, after inflation, has not grown, whereas industrial funding has. As a consequence, 1980 was the first year in more than two decades that has seen industrial funding of R&D exceed government funding. Note that together, industry and government fund 96% of U.S. R&D.

Figure 7 distributes R&D activity according to where it is performed. Here industry dominates, with about 70% of the activity. Universities, including their Federally Funded R&D Centers (FFRDC's), and government each perform about 13% of the nation's R&D.

We next consider where basic research is performed. Universities, in spite of their modest roles in the total R&D picture, come to the fore. Three-fifths of all U.S. basic research is performed in universities (Fig. 8). Not only do universities dominate U.S. basic research, but in turn so does basic research dominate all university R&D—even when the FFRDC's are included. Figure 9 shows that three-fifths of all university R&D is basic research.

The last pie chart (Fig. 10) illustrates why any cutback in Federal funding of research is a matter for so much concern in the universities and therefore worrisome in terms of U.S. basic research. Nearly two-thirds of all university R&D funds in 1980 came from the Federal government. If one includes the FFRDC's in the calculation, the two-thirds grows to about three-quarters. If one adds the state and local governments, the governmental percentage is over 80%.

Now let me draw a series of summarizing observations from the foregoing pie charts.

First, from an overall viewpoint concerning U.S. R&D, we note that:

Development, as we would expect, dominates R&D at two-thirds of the total; basic research is one-eighth of the total.

Government and industry together fund 96% of the nation's R&D.

Industry dominates R&D performance at 70%.

Secondly, we can make the following observations about basic research:

Universities substantially dominate U.S. performance of basic research.

The overwhelming source of support for that university basic research is Federal funding.

From these two salient points I draw the following fundamental conclusion:

The health of the U.S. science and basic research depends critically upon a strong partnership between universities and government.

If the scientific and technical education component were added in, including graduate study, state and private university funding would become noticeable in the E,R,&D picture. The university role in basic activities would be even more dominant.

It is clear that the E,D,&D system is a tripartite enterprise: the Federal government, industry, and the universities. What about the relationships between and among the partners? Let us consider the three pair-wise interactions.

Industry-government.—The relationship between government and industry in the U.S. is not a topic about which I am expert. In an E,R,&D context, in the 1980's, there is inevitably much discussion contrasting the perceived alliance between industry and government in Japan with the adversary relationship between business and government in the United States. On this topic, perhaps I should refer you, among other places, to our friends at the Washington University Center for the Study of American Business for commentary.

University-government.—Generally speaking, I believe that the strong link, which was forged after World War II between the Federal government and the research universities, established the scientific base for U.S. technological advancement and leadership during the two decades 1955–1975. But there have been recent serious tensions in this partnership, related to, among other factors:

(a) Budget cuts imposed in recent years, following years of inflationary squeeze on university research.

(b) Problems over accounting regulations (Budget Circular A–21) and challenges to the principle of full indirect cost reimbursement to the universities by government agencies.

(c) Problems with expressed DoD concerns that might restrict the open publication or presentation of particular kinds of university research.

Unlike the industry-government interaction, I would not characterize the university-government relationship as adversarial. But there are some significant stresses that need, in the national interest, to be relieved.

Industry-university.—We have seen that industry has only a small part in performing basic research and a much smaller part in the support of university research. Here are the summarizing facts:

Industry in 1980 performed just 17.3 percent of U.S. basic research and government funded a portion of that.

Industry in 1980 supported 3.7 percent of the R&D in universities, excluding FFRDC's; including them, industry funded only 2.7 percent of university R&D.

With the industrial support of university research being so small, and with some tensions in the university-government partnership, it is natural to question whether there should be much greater industrial support for university research.

Indeed, there have recently been some very bold new joint research efforts between corporations and several research universities. Examples include the joint Washington University programs in biomedical areas with Monsanto and Mallinckrodt, the Exxon-MIT cooperative research program in combustion science, and the new Stanford University Center for Integrated Systems in which some 17 companies are participating as co-sponsors.

My own position is to encourage as many of these as industry can afford and as many as do not threaten the freedom and autonomy of the university. But, along with a number of my colleagues from industry, I must stress that there is no panacea here to meet national needs.

Why is industrial support of basic research so limited? To understand this question, one needs to recognize that basic research is inherently unpredictable as to (a) its ultimate success even in narrow scientific terms, (b) whether the results will be applicable at all on a foreseeable time scale, (c) if applicable, whether those applications will be in a particular company's business area, and (d) if successful on all of the three previous criteria, when the valid scientific result applicable to the company's business domain will in fact provide a commercial return. We must therefore regard basic research as building the bank of knowledge upon which all segments of the nation can draw for application to the social good.

In terms of direct industrial needs, the essential research is applied research, directed toward a business strategy aimed at meeting a need felt by society. The importance of basic research to industry is (i) to provide a "window on the world" of new basic knowledge that may be commercially applicable and (ii), if the company is large enough, to meet any obligation it may feel to go beyond its tax "contributions" toward supporting the replenishment of the store of the basic knowledge.

Naturally, for the small amount of basic science a company elects to do or to support, it typically selects areas that seem a priori more likely to produce applicable new knowledge. Basic research done by Xerox may ultimately turn out to be of more value to, say, the auto industry than the office equipment industry. And, if it does have application to office equipment, it may happen to help IBM or even Toshiba as much as—or even more than—it helps Xerox.

It is the broad but untargettable applicability of basic research, over the long term, that provides the sound rationale for public support of research through the tax base.

We therefore can understand why industry performs and supports only modest amounts of basic research. Since most of the funding for university basic research is already derived from Federal tax revenues (to which corporations give up about half of their pre-tax earnings), company managements can at best justify the spending of only a fraction as many basic research dollars in universities as they do in their own organizations. Statistical data show that, if industry increased support of university research by an amount corresponding to 20% of industrial basic research budgets, it would increase university research funds by at most 5%. That would be welcome, but no solution to the fundamental U.S. problem of starved university basic research budgets.

This brings us to the need for a national goal of E.R.&D. leadership.

V. THE NECESSITY TO TAKE THE LONG VIEW

Perhaps it is time to ask ourselves how we achieved world technological leadership during the period from World War II up through the mid-1970's. As I pointed out in my recent keynote address to the ISSCC, I believe that an instructive example is the leadership which the U.S. achieved in electronic technology during the post-war period up through about 1980.

One sometimes hears that basic research played a very small role in the meteoric rise of the semiconductor electronics industry. But that is a very short-term view. The fact is that long-range, world-leading basic research in universities and in Bell Laboratories undergirded the commercial success of semiconductor companies. But the present research vigor of U.S. universities in the disciplines essential for our semiconductor systems future is in doubt—and the few U.S. companies that pursue long-range research are experiencing enormous pressures for short-term results. Even the future of long-range research at Bell Laboratories is questioned by some observers of the AT&T reconfiguration.

History suggests that a partially accidental long-range investment in research and education laid the base for America's 1970's leadership in semiconductor technology—accidental in that the strategy was not aimed primarily at civilian technological and economic growth. Elements in the development of U.S. strength in solid state electronics

begin all the way back in the 1930's and relate in many respects to World War II:

1. Totalitarianism in the 1930's drove some of the premier scientists of continental Europe to the U.S.

2. During the course of the war there were several technological triumphs that demonstrated momentous applicability of earlier esoteric long-range research.

3. Following cessation of hostilities, veteran's benefits in the U.S. (the "G.I. Bill") accorded unprecedented broad opportunity for undergraduate and graduate training of U.S. depression-era youth, often in science and engineering. *(This immediate post war period was the only time in history when the U.S. accorded for its young men nearly universal educational opportunity at the college and university level.)* Much of our postwar technological ascendency depended upon this cadre of professionally trained people.

4. Federal agencies initiated substantial funding of university research and graduate training in technical disciplines, triggering a major expansion of the academic research enterprise.

5. This helped to attract a second European influx—the "brain drain."

6. Just as the defense impetus began to wane, Sputnik gave birth to NASA research and training programs.

7. Of specific importance to the modern electronics industry, a new "Sputnik-spawned" Defense Department agency, the Defense Advanced Research Projects Agency, launched numerous projects, including several materials research centers in universities.

Added to these factors and national programs were a few critically important industrial laboratories that took a long-term research view in the pre-war and immediate post-war period. All of these elements came together to provide in the U.S. the basis for a full flowering of solid state science, and the derivative evolution of semiconductor technology.

VI. CONCLUSION

Nearly every individual contributor to the U.S. ascendency to world technological leadership benefitted in essential ways from several of the foregoing factors. A postwar policy of long range R&D investment—aided by a few unplanned events—gave the U.S. for about 20 years a de facto strategy for technological leadership. That leadership provided economic growth, not just for the U.S. but it also aided economic advance for many other nations of the world. In this country, such wealth helped to fund important social progress.

But, during the past 15 years, the United States has faltered in its long-range investments in the Education and R&D macrosystem. This weakened macrosystem may consequently be inadequate to the appropriate and essential needs for our technological futures.

Looking back on the 1950's build-up of our research and on the 1960's objective of space technology leadership, we in the U.S. are long overdue in setting forth a goal of world leadership in advanced technology, to be achieved by substantial long range investments as part of a major national rededication to education, research and development. These renewed investments toward achieving technological leadership should be the first priority on the national agenda, because they are the means to the following derived benefits: economic vigor, fuller employment, capability for the national defense, and acquiring the national *wealth* with which to purchase social advances and a flourishing of culture and the arts.

(The charts referred to are not reproducible in the RECORD.) ●

CLEAN AIR ACT POLICY

● Mr. STAFFORD. Mr. President, the Clean Air Act Amendments of 1982, reported to the Senate by the Environment and Public Works Committee during the last Congress, contained a short but important clarifying amendment relating to the definition of the term "major stationary source."

As the committee report states, the amendment was a restatement of the policy adopted by Congress in the 1977 Clean Air Act Amendments and was intended to point out the misinterpretation of the law by EPA in regulations it issued in October 1981.

The 1977 amendments require a full-scale new source review for any modification to a plant in a nonattainment area that results in an increase in emissions of 100 tons or more of a pollutant for which the area is not meeting a national ambient standard. Reductions of emissions elsewhere in the plant are not to be considered in determining whether a particular modification meets the 100-ton criterion.

I have recently received from the State and territorial air pollution program administrators (STAPPA) what I consider to be an excellent technical discussion of the reasons the policy adopted by Congress in 1977 is sound. The discussion is contained in a letter to the Administrator of EPA, since the Agency has appealed a District of Columbia Circuit Court opinion on the definition of the term "source" to the Supreme Court.

I ask that the text of STAPPA's cover letter to me and of the letter to William Ruckelshaus be printed at this point in the RECORD.

The letters follow:

STATE AND TERRITORIAL AIR POLLUTION PROGRAM ADMINISTRATORS,
Washington D.C., July 11, 1983.

Senator ROBERT STAFFORD,
Chairman, Committee on Environment and Public Works, Washington, D.C.

DEAR SENATOR STAFFORD: Last month at the mid-summer meeting of the State and Territorial Air Pollution Program Administrators (STAPPA), the membership adopted a position that recommends that the Environmental Protection Agency revert to its August 1980 definition of "source." The members of STAPPA believe that all new pieces of equipment in nonattainment areas should be equipped with the Best Available Control Technology (BACT) and that no sources should be allowed to net out of New Source Review (NSR) requirements.

I have enclosed a copy of a letter that we recently sent to EPA Administrator William Ruckelshaus and John Adams, Executive Director of the Natural Resources Defense Council. This letter outlines the reasons why STAPPA adopted this position. If you have any questions regarding our position on the definition of "source," please do not hesitate to contact us.

Sincerely,

S. WILLIAM BECKER.

STATE AND TERRITORIAL AIR POLLUTION PROGRAM ADMINISTRATORS,
Washington, D.C., July 8, 1983.

Mr. WILLIAM RUCKELSHAUS,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MR. RUCKELSHAUS: The State and Territorial Air Pollution Program Administrators (STAPPA) would like to make its position clear relative to the Environmental Protection Agency's revision to the definition of source as it applies to nonattainment areas.

We are concerned that the October 1981 change in definition of source may needlessly increase emissions in areas violating the primary national ambient air quality standards (NAAQS) and jeopardize the potential for achieving the NAAQS in these areas. We do not know if the October 1981 change is consistent with the statutory requirements of the Clean Air Act and therefore, will not discuss those issues in this letter.

The air quality needs of areas violating the health-related NAAQS are different from those in Prevention of Significant Deterioration (PSD) areas. In nonattainment areas, there is a need to *reduce* emissions while, in PSD areas, the emphasis is on limiting *increases* in emissions. Making the nonattainment definition of source identical to that used in PSD areas will make it more difficult to obtain the emission reductions necessary to assure attainment of the NAAQS. The reasons for this are discussed below.

The PSD program definition of "significant" exempts from the new source review increases in emissions up to 40, 25 and 40 tons per year for sulfur dioxide (SO_2), total suspended particulates (TSP) and volatile organic compounds (VOC) sources, respectively. Although these levels of emissions may be "insignificant" in areas attaining standards, this is not the case in many nonattainment areas. In most TSP and VOC nonattainment areas and some eastern SO_2 nonattainment areas, the violations of the NAAQS result from the cumulative impact of all sources in the nonattainment area. Allowing even the PSD significance level increases from new and modified sources would further burden already overburdened atomospheres and require corresponding reductions from existing sources.

Further, the October 1981 definition of source would exempt some sources from the nonattainment area control technology requirements (BACT and LAER) based on the rationale that the New Source Performance standards (NSPS) would assure use of the most up-to-date pollution control technology. This rationale is flawed because NSPS have not been promulgated for a large number of major air pollution sources (for example, coke ovens, industrial boilers and numerous VOC source categories). Additionally, this definition of source is structured so that the exempt sources would not even be subject to the reasonably available control technology (RACT) requirements of Section 172 (b)(2) of the Clean Air Act.

Exempting sources from the control technology requirements and allowing PSD emission increases while attempting to solely rely on the resonable further progress (RFP) provision as the measure of success of the Part D plans may be inadequate to assure expeditious attainment. The current

Part D State Implementation Plan control strategies are based, in many cases, on rudimentary emission—air quality relationships (ozone) and plans for further study of the nonattainment problem (TSP). As a result, there is considerable uncertainty regarding the adequacy of the amount of emission reductions necessary to achieve some health-related standards. This ambiguity makes the Part D RFP plan in many cases tenuous at best. In addition, the RFP demonstrations are an "after-the-fact" evaluation of progress. In most cases, they are based on emission inventories that lag by two years or more. Because of this time lag, numerous new and reconstructed sources may be built with lenient or no controls before it is realized that the Part D plans may not be adequate to attain the NAAQS. Ultimately, this may result in the costly retrofitting of better controls on those new and reconstructed sources originally exempt from the new source review.

STAPPA believes that it is appropriate to revise the October 1981 definition of source as it applies to nonattainment areas and revert to the August 1980 dual source definition. Reverting to the dual source definition of source could prevent the construction of uncontrolled process equipment in nonattainment areas, could prevent increased levels of air contaminants in nonattainment areas and could provide for expeditious attainment of the health-related primary ambient air quality standards.

Sincerely,

RANDOLPH WOOD,
President.●

UNITED STATES-GREECE BASE AGREEMENT

● Mr. KENNEDY. Mr. President, I welcome the announcement today of the initialing of a new United States-Greece base agreement. I believe this agreement is in the best interests of both countries, and hope it will contribute to strengthening the close bonds of friendship, mutual trust, and mutual security which have traditionally characterized the relations between our two nations.

The security arrangements between the United States, Greece, and the NATO allies are vital. With the achievement of the base agreement, I hope that the Governments involved will work toward resolving other outstanding issues, particularly the tragic situation in Cyprus and the dispute in the Aegean. I, for one, will continue in my efforts to uphold the longstanding 7- to 10- military aid ratio between Greece and Turkey, and to achieve the withdrawal of all Turkish forces from the Republic of Cyprus.●

S. 1623—NATIONAL COMMISSION ON NEUROFIBROMATOSIS

● Mr. BENTSEN. Mr. President, I am pleased to join my colleague Senator DOLE as an original cosponsor of S. 1623, a bill to establish a national commission on neurofibromatosis. Neurofibromatosis is a progressive disease characterized by darkened patches on the skin, internal and external fibrous tumors, tumors of the eye and brain, malignancies of various organs, extreme curvature of the spine, mental retardation, epilepsy, and blindness. Approximately 80,000 Americans suffer from NF—more than the total number of individuals affected by muscular dystrophy, Tay-Sachs disease, and Huntington's chorea combined.

Given the incidence and debilitating effects of this disease, and its immediate relevance to many of the disorders, especially cancer, I believe that a comprehensive review of NF research must be made and the Congress advised on the most effective way in which to address the critical shortage of specialized trained professionals and treatment programs. S. 1623 establishes a commission responsible for assessing the extent and nature of research on neurofibromatosis. Assembling a task force of experts will focus public and private research efforts on NF, and serve as a catalyst in developing a comprehensive plan to encourage additional research and treatment efforts.

Mr. President, it is time for the National Government to make a commitment to adequate support of efforts to address one of the most serious genetic disorders. The National Institutes of health and other American research institutions are in a unique position to render a needed and important service by lending their expertise to this endeavor. I urge my colleagues to join us in support of the legislation.●

BUDGETARY IMPACT OF THE MILITARY CONSTRUCTION APPROPRIATION BILL, 1984 (H.R. 3263)

● Mr. MATTINGLY. Mr. President, because of computer malfunction, the budgetary impact statement of the military construction appropriation bill (H.R. 3263) as reported by the Committee on Appropriations was not correctly printed in the committee report (S. Rept. 98-180).

I therefore send to the desk a corrected budgetary impact statement and ask that it be printed in the RECORD.

Mr. President, this statement is required by section 308 of the Congressional Budget Act to be included in the report accompanying the bill. However, compliance with this rule will result in substantial additional printing costs for a star print. Since printing of the corrected budgetary impact statement in the RECORD fulfills the notification intent of this section of the Budget Act, I believe it only prudent that we make an exception in this case so that the entire report will not have to be reprinted. This request has been cleared with the minority and the Budget Committee and I know of no objection to it.

Mr. President, I therefore request the corrected budgetary statement appearing in the RECORD be deemed to be that which is required by section 308(a) of the Congressional Budget Act.

The statement follows:

BUDGETARY IMPACT OF THE MILITARY CONSTRUCTION APPROPRIATION BILL, 1984 (H.R. 3263)

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1984: Subcommittee on Military Construction	7,300	7,240	7,100	[1] 7,113
Projections of outlays associated with budget authority recommended in the bill:				
1984				[2] 2,364
1985				2,811
1986				1,290
1987				472
1988 and future year				302
Financial assistance to State and local governments for 1984 in the bill		32		2

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.
Source: Prepared by the Congressional Budget Office pursuant to Sec. 308(a), Public Law 93-344.●

JUDGE THOMAS J. MESKILL

● Mr. WEICKER. Mr. President, on July 19, 1983 the Association of Trial Lawyers of America will honor one judge, from among the many and prominent Federal appeals court judges, as the "Outstanding Federal Appellate Judge." That judge is Thomas J. Meskill of Connecticut, a distinguished member of the Second Circuit Court of Appeals.

Judge Meskill, a native of New Britain, Connecticut and a graduate of Trinity College and the University of Connecticut School of Law has a long and outstanding record of public service. Prior to his appointment to the Federal bench he served as mayor of his hometown, Congressman from Connecticut's Sixth District and Governor of his State.

Indeed during the protracted discussions in this body concerning Judge Meskill's confirmation the question was raised: Does substantial experience in major elective offices recommend a person for a Federal judgeship? I assured my colleagues at that time that Judge Meskill's experience, temperment and integrity were exactly the mix of credentials capable of producing an outstanding jurist.

Now, after 8 years of excellence on the second circuit bench Judge Meskill is being recognized by the legal profession nationwide as the "Outstanding Federal Appellate Judge".

I congratulate Judge Meskill on the recognition he is so justifiably receiving and I believe we in the Senate together with Judge Meskill's family and fellow citizens of Connecticut can take

great pride in the accomplishments of this truly eminent jurist.●

THE OLDER AMERICAN COMMUNITY SERVICE PROGRAM AUTHORIZED UNDER TITLE V OF THE OLDER AMERICANS ACT

● Mr. GRASSLEY. Mr. President, on June 28, 1983, I asked the General Accounting Office to undertake an assessment of the management by the Department of Labor of the Older American Community Service program authorized under title V of the Older Americans Act, as amended. This assessment is necessary because the administration has proposed moving title V from the Department of Labor to the Administration on Aging and we in the Congress who must come to a judgment on this matter lack knowledge sufficient to make an informed judgment on the issue.

Response to the administration's proposal has been mixed. The National Association of State Units on Aging, the National Association of Area Agencies on Aging, and the Federal Council on Aging have supported moving the program, although they may have various reservations about other aspects of the administration's proposal. The national aging organzation which sponsor title V projects oppose the proposal.

Unfortunately, there exists no detailed recent evaluation of Department of Labor management of the program, or of the capacity of the Administration on Aging to manage the program were it moved. The Department of Labor has not conducted an overall evaluation of the program since its authorization under the Older Americans Act in 1973. The Federal Council on Aging sponsored an evaluation of the program which was completed in March 1981. While this evaluation concluded that the program was meeting its objectives, it also found numerous weaknesses in the program. These included confusion among sponsors about the objectives of transition to private employment from subsidized employment, lack of coordination among State and national sponsors in most States, inadequate data collection and reporting of state-of-the-art achievements, and absence of technical assistance. The evaluation also noted that coordination between title V and other Federal older worker programs could be improved. Particularly striking was the finding that insufficient data is collected at the national level to allow the Department of Labor to answer the most basic questions about program effectiveness, such as: How many hours do enrollees work? How long do enrollees remain enrolled? How much training is provided to enrollees? Why do people leave title V employment? While some improvements in the program were made by the 1981 amendments to the act, these changes did not eliminate the just cited shortcomings.

The various national sponsors have undertaken evaluations of their part of the program, but these have been, by their very nature, only partial assessments of the total program. They have also not considered Department of Labor management of the program.

Furthermore, it has come to my attention recently through press reports and constituent mail that difficulties have arisen in the administration of the title V program by Green Thumb, Inc., the national contractor administering the largest of the title V programs. Although the Department of Labor conducted an inquiry into one of the problem situations involving the inappropriate use of funds, the Department did not pursue other management issues raised by the episode or ask whether similar problems exist in the management of the program by other national sponsors.

Therefore, in order that we in the Congress can make an informed judgment about where the program might best be administratively located, I have asked the General Accounting Office to conduct a review of management, by the Department of Labor, of the title V program. The review will focus on the question of whether the program should be moved from the Department of Labor to the Administration on Aging and will review the capacity of the Administration on Aging and the Older Americans Act network to manage the program.

I have asked the General Accounting Office to consider a number of other questions in the course of coming to a judgment on the main concern:

First, what administrative adjustments would need to be made in order to accommodate a transfer of the title V program from the Department of Labor to the Administration on Aging?

Second, is it possaible to estimate the Federal costs of transferring this program from one agency to another?

Third, has the Secretary of Labor adequately investigated the recent difficulties in the Green Thumb program?

Fourth, should the Department of Labor make improvements in data collection at the national level; in program monitoring, both by the Department and the national and State program sponsors; on collection and dissemination of state-of-the-art achievements; and in technical assistance to program sponsors?

Fifth, is the Department of Labor justified in awarding funds to State agencies other than State agencies on aging despite the fact that the 1981 amendments to the act require those funds to be awarded to State agencies on aging?

Sixth, can the Department of Labor improve coordination among State and national sponsors within States, and, if so, how?

Seventh, has the Department of Labor given enough technical assistance to State sponsors in the administration of their programs? How can this be improved? How should the Administration on Aging, which has more interaction with the States, and the Department of Labor cooperate more effectively in management of the program at the national level?

Eighth, is the Department taking adequate steps to coordinate the title V program with the Job Training Partnership Act program?

Ninth, is the number of jobs produced by the program reasonable in light of its budget? Does it compare favorably with other public service employment programs?

Tenth, can the Department of Labor improve the ability of sponsors to move enrollees from subsidized to unsubsidized employment, and, if so, how?

Eleventh, could sponsors conduct the programs as effectively if a smaller percentage of available Federal funds were devoted to administrative costs? Are funds taken from the 15 percent set aside for administrative costs appropriately applied to costs incurred by operation of the title V program? Are program enrollees who work on administration of the program assigned work which is appropriate and germane to the project?

Twelfth, to what extent do the national sponsors depend on the title V funds for their support? That is, what proportion does title V funding represent of each national organization's total support? Is it possible to ascertain how much of title V funding is used for the national organizations' overhead?

The General Accounting Office has agreed to conduct the inquiry so as to provide us with a preliminary judgment by December 15, 1983, on whether the program should be moved from the Department of Labor to the Administration on Aging. This will be in time to be of use to us during the reauthorization of the act. Subsequent phases of the General Accounting Office review will continue into next year and will be of use whether or not the program is moved.

We in the Congress, and older Americans who depend on and support the title V program, must be confident that the program is effectively and efficiently managed. Indeed, it is the responsibility of those of us involved in the reauthorization of the Older Americans Act to be sure that we have a solid basis on which to make appropriate changes in this title of the act.●

STATE AND LOCAL COST ESTIMATES

● Mr. SASSER. Mr. President, the State and Local Government Cost Estimate Act, Public Law 97-108, requires that the Congressional Budget Office prepare estimates of the costs that would be incurred by State and local governments in carrying out the provisions of proposed bills or resolutions. The estimates are to be incorporated into the committee reports on the legislation.

Since that law went into effect October 1982, the Congressional Budget Office has prepared over 60 State and local cost estimates. These figures guide the Congress in making decisions on legislation affecting other levels of Government.

Congressional Budget Office analysts Mary Ann Curtin and Roy Meyers have prepared an article for the publication Public Budgeting and Finance about the implementation of Public Law 97-108. I am pleased to note in reading the article that the State and Local Cost Estimate Act is working as intended.

So that my Senate colleagues can preview this article which is to appear in a future issue of Public Budgeting and Finance, I request that it be published in the CONGRESSIONAL RECORD immediately following my remarks.

The article follows:

STATE AND LOCAL COST ESTIMATES

(Roy Meyers and Mary Ann Curtin, Analysts, Budget Analysis Division, Congressional Budget Office)

As of October 1, 1982, the Congressional Budget Office (CBO) became responsible for preparing estimates of the costs to be borne by state and local governments that carry out or comply with federal legislation. This responsibility was mandated by an amendment to the Congressional Budget Act—the State and Local Cost Estimates Act of 1981 (P.L. 97-108). This note presents a preliminary report on the implementation of that law.

The role of CBO is to prepare nonpartisan, objective, and independent economic forecasts, budget projections, and program analysis for the Congress. One form of CBO's budget projections work is the "cost estimate," a five-year projection of federal spending. Cost estimates are prepared for all bills reported by committees, except for the Appropriations Committees. These estimates often play a significant role in Congressional debate by providing a clear statement of a bill's cost implications. During the 97th Congress, CBO prepared an average of 630 cost estimates per year.

Passage of the State and Local Cost Estimate Act was the culmination of a four-year lobbying effort by the associations of state and local governments. Many members of Congress viewed the preparation of cost estimates as a "good government" reform, mostly based on their experiences in state government. Over thirty states estimate the fiscal impact of legislation on local governments (these estimates are called "fiscal notes"), and twelve states reimburse localities at least partially for the costs of state mandates.

Other cosponsors supported state and local cost estimates because they believe that the estimates would prevent enactment of costly mandates on state and local governments. During the 1970s, the Congress adopted a significant number of such mandates, many of which cut across functions to apply to all grant programs. Opponents of these mandates generally cited the "horror story" of Section 504 of the Rehabilitation Act of 1973, which set the requirement that many public facilities be accessible to handicapped persons. The Congress passed this bill without focusing on the possible costs of such requirements even though the costs were potentially large. For example, when the initial DOT/HEW regulations relating to urban transportation systems were proposed, CBO calculated that the costs of implementing them were more than twice the amount of total federal financial assistance provided to public transportation. Proponents of state and local cost estimates believed that if such cost figures were available during debate, Section 504 would not have passed in its original form.

Support for the State and Local Cost Estimate Act increased during the summer and fall of 1981. The 1981 reconciliation process reduced spending for grants and benefits programs, thereby effectively shifting some costs to states and localities. Opponents of that portion of the reconciliation legislation believed that estimates of these cost burdens could have prevented the enactment of such legislation. Ultimately, the bill obtained wide-ranging support and was passed unanimously in both the House and the Senate.

Planning for the implementation of the Act began immediately after passage. A major activity was the development of a network of officials of state and local governments, representatives of the associations of state and local governments, executive branch personnel, and intergovernmental research organizations. CBO's first state and local cost estimate was prepared in November 1982. As of the May 15th deadline for the reporting of authorizing legislation, over 60 state and local cost estimates have been prepared.

State and local cost estimates are similar to federal cost estimates in many respects, and are normally prepared in conjunction with the federal cost estimate. Estimates are restricted to direct costs, excluding the second-order effects of federal legislation. For example, CBO would not prepare a cost estimate for a bill that would affect state tax revenues through its impact on the economy. State matching shares, administrative expenses, and the costs of various conditions of aid are the direct costs that are most commonly included in estimates. Cost estimates may also show savings to states, which could result from the repeal of a mandate, from federal provision of services previously financed by states, or from reductions in entitlements and other programs that have state cost sharing.

During consideration of the Act, the Congress recognized that state and local cost estimates will often be very difficult to prepare. In cases where the state responses to federal legislation may substantially affect state costs, range estimates are used to show state and local costs under alternative assumptions about state participation, administrative actions, and other factors. Of the cost estimates prepared to date, approximately 10 percent have been range estimates. Furthermore, geographic breakouts of national cost figures are not shown unless the methodology used to prepare the cost estimate provides state-by-state figures. Finally, CBO is required to prepare state and local cost estimates when, in the opinion of the Director, the annual aggregate cost of the law to state and local governments is $200 million or more, or when the cost "is likely to have exceptional fiscal consequences for a geographic region or a particular level of government." CBO has attempted to produce state and local cost estimates for all bills with state and local cost impacts.

A number of practical problems exist in developing state and local cost estimates. Among these are data availability, time constraints, and possible substitution effects. Other problems, such as differing local government structures, state constitutional requirements, differing fiscal years and accounting methods, exist as well.

The most critical problem in developing state and local cost estimates is the availability of pertinent data. During testimony on the State and Local Government Cost Estimate Act, organizations representing state and local governments testified to their willingness to provide information to CBO for use in developing estimates. In practice, CBO analysts have found that numerous phone calls to program specialists in states and localities have been required in order to obtain sufficient data.

In some instances, quality data are simply not available. For example, if H.R. 1510, the Immigration Reform and Control Act of 1983, is enacted, major revisions would be made to the Immigration and Nationality Act. Because the bill proposes to legalize certain unauthorized aliens now residing in the United States, the bill could directly affect the budgets of state and local governments to a significant degree in the areas of health and welfare assistance. No highly reliable information exists on the number or characteristics of illegal aliens residing in this country. Therefore, there is considerable uncertainty over how many unauthorized aliens qualify for permanent residency and how many unauthorized aliens might receive health and welfare assistance at some point after being legalized. CBO analysts who prepared this estimate had to make assumptions regarding these questions based on the information that was available. The CBO estimate was based on the assumption that 4.5 million unauthorized aliens are present in the United States, the midpoint of a range estimate of 3 to 6 million. The estimate also assumed benefit recipiency rates for aliens similar to those for United States citizens with similar demographic and economic characteristics.

Time is also a crucial factor. While CBO is permitted to submit state and local cost estimates after the submission of the federal cost estimate, often time constraints do not permit extensive sampling if needed data are not readily available through other sources. Another problem inherent in developing these estimates is the substitution problem, that is, to what extent federal dollars will be substituted for state and local dollars. This is especially difficult in the areas of education, health, and other human service areas. For estimating purposes, it is extremely difficult to predict how much, if any, substitution actually will occur. Therefore, estimates of cost savings to state and local governments due to substitution are subject to a great deal of uncertainty.

An example of the substitution problem can be seen in the cost estimate for H.R.

1036, the Community Renewal Employment Act. The purpose of the bill is to authorize appropriations for employment of long-term unemployment individuals. This estimate involved calculating savings to state and local governments if the federal funds are used for projects or activities that the state would have operated without federal funds. Based on past studies and the particular provisions of the bill, it was estimated that the probable range for substitution is 10 to 40 percent.

State and local estimates are usually printed in committee reports and may be obtained from the Documents Clerks of the House and the Senate. Cost estimates may also be printed in the CONGRESSIONAL RECORD at the request of a Member.●

CARLOS FUENTES

● Mr. DODD. Mr. President, Carlos Fuentes needs no introduction to the U.S. Senate, to Congress or to the people of our Nation. His distinguished career as an author, lecturer, and diplomat has made him world renowned and has brought him worldwide acclaim. Deservedly so—this authentic voice of Mexico speaks to a universal audience.

Just recently, for example, Mr. Fuentes, after being awarded an honorary doctor of laws degree from Harvard University, addressed this year's graduating class in Cambridge. And his remarks, devoted exclusively to the issue of U.S. policy toward Central America, could not have been more timely. I have read them and re-read them. And I am firmly convinced that all who believe they know something about the Central American question would be well advised to examine Mr. Fuentes' insights very carefully and to give his analysis the serious consideration it deserves.

Regrettably, Mr. President, there was a time in the not too distant past when this Government frequently challenged Mr. Fuentes' efforts to enter the United States and when it maintained that his political views were less than acceptable, if not suspect and dangerous. Yes; there was a time when this Government—despite its democratic moorings, its democratic convictions, and its democratic tenets—endeavored to muffle the voice of Carlos Fuentes across our land.

Doubtless such episodes have brought little credit to our Government or to our people. Indeed, to the outside world, they have said more about us than about Carlos Fuentes and his political opinions. But to his credit, he persevered. He never gave up. And during those periods of harassment, he, obviously, had more faith in us and in our system than we apparently did.

Today that faith and the friendship it evidences are as strong as ever. In speaking to this year's Harvard graduates, Mexico's outstanding man of letters expressed such sentiments in these terms:

But we, the true friends of your great nation in Latin America, we the admirers of your extraordinary achievements in literature, science and the arts and of your democratic institutions, of your Congress and your Courts, your Universities and publishing houses and your free press—we your true friends, because we are your friends, will not permit you to conduct yourselves in Latin American affairs as the Soviet Union conducts itself in Central European and Central Asian affairs.

These are the words of a good friend. These are the words which come from the heart and soul of Mexico and from our Latin neighbors. These are the words of Carlos Fuentes. May we have the good sense to pay attention.

Mr. President, I ask that the complete text of Mr. Fuentes commencement day speech at Harvard be printed at this point in the RECORD.

The speech follows:

HARVARD COMMENCEMENT SPEECH BY CARLOS FUENTES

Mr. President, Members of the Corporation, Members of the Harvard Alumni Association, Ladies and Gentlemen: Some time ago, I was travelling in the state of Morelos in Central Mexico, looking for the birthplace of Emiliano Zapata, the village of Anenecuilco.

I stopped on the way and asked a campesino, a laborer of the fields, how far it was to that village.

He answered me: "If you had left at daybreak, you would be there now."

This man had an internal clock which marked the time of his own personality and of his own culture.

For the clocks of all men and women, of all civilizations, of all histories, are not set at the same hour.

One of the wonders of our menaced globe is the variety of its experiences, its memories and its desires.

Any attempt to impose a uniform politics on this diversity is like a prelude to death.

Lech Walesa is a man who started out at daybreak, at the hour when the history of Poland demanded that the people of Poland act to solve the problems that a repressive government and a hollow party no longer knew how to solve.

We in Latin America who have practiced solidarity with Solidarity salute Lech Walesa today.

The honor done to me by this great center of learning, Harvard University, is augmented by the circumstances in which I receive it.

I accept this honor as a citizen of Mexico, and as a writer from Latin America.

Let me speak to you as such.

As a Mexican first:

The daybreak of a movement of social and political renewal cannot be set by calendar other than those of the people involved.

With Walesa and Solidarity, it was the internal clock of the people of Poland that struck the morning hour.

So it has always been: with the people of my country during our revolutionary experience; with the people of Central America in the hour we are all living; and with the people of Massachusetts in 1776.

The dawn of revolution reveals the total history of a community.

This is a self-knowledge that a society cannot be deprived of without grave consequences.

THE EXPERIENCE OF MEXICO

The Mexican Revolution was the object of constant harassment, pressures, menaces, boycotts and even a couple of armed interventions between 1910 and 1932.

It was extremely difficult for the United States Administrations of the time to deal with violent and rapid change on the southern border of your country.

Calvin Coolidge convened both Houses of Congress in 1927 and—talkative for once—denounced Mexico as the source of "Bolshevik" subversion in Central America.

We were the first domino.

But precisely because of its revolutionary policies favoring agrarian reform, secular education, collective bargaining and recovery of natural resources—all of them opposed by the successive governments in Washington, from Taft to Hoover—Mexico became a modern, contradictory self-knowing and self-questioning nation.

The Revolution did not make an instant democracy out of my country. But the first revolutionary government, that of Francisco I. Madero, was the most democratic regime we have ever had: Madero respected free elections, a free press and an uncontrollable Congress. Significantly, he was promptly overthrown by a conspiracy of the American Ambassador, Henry Lane Wilson, and a group of reactionary generals.

So, before becoming a democracy, Mexico first had to become a nation.

What the Revolution gave us all was the totality of our history and the possibility of a culture. "The Revolution—wrote my compatriot, the great poet Octavio Paz—the Revolution is a sudden immersion of Mexico in its own being. In the revolutionary explosion . . . each Mexican . . . finally recognizes, in a mortal embrace, the other Mexican."

Paz himself, Diego Rivera and Carlos Chavez, Mariano Azuela Azuela and Jose Clemento Orozco, Juan Rulfo and Rufino Tamayo: we all exist and work because of the revolutionary experience of our country. How can we stand by as this experience is denied, through ignorance and arrogance, to other people, our brothers, in Central America and the Caribbean?

A great statesman is a pragmatical idealist. Franklin D. Roosevelt had the political imagination and the diplomatic will to respect Mexico when President Lazaro Cardenas, in the culminating act of the Mexican Revolution, expropriated the nation's oil resources in 1938.

Instead of menacing, sanctioning or invading, Roosevelt negotiated.

He did not try to beat history. He joined it.

Will no one in this country imitate him today?

The lessons applicable to the current situation in Latin America are inscribed in the history—the very difficult history—of Mexican-American relations.

Why have they not been learnt?

AGAINST INTERVENTION

In today's world, intervention evokes a fearful symmetry.

As the United States feels itself authorized to intervene in Central America to put out a fire in your front yard—I'm delighted that we have been promoted from the traditional status of back yard—then the Soviet Union also feels authorized to play the fireman in all of its front and back yards.

Intervention damages the fabric of a nation, the chance of its resurrected history, the wholeness of its cultural identity.

I have witnessed two such examples of wholesale corruption by intervention in my lifetime.

One was in Czechoslovakia in the fall of 1968. I was there then to support my friends the writers, the students and statesmen of the Prague Spring. I heard them give thanks, at least, for their few months of freedom as night fell once more upon them: the night of Kafka, where nothing is remembered but nothing is forgiven.

The other time was in Guatemala in 1954 when the democratically elected government was overthrown by a mercenary invasion openly backed by the C.I.A The political process of reform and self-recognition in Guatemala was brutally interrupted to no one's benefit: Guatemala was condemned to a vicious circle of repression, that continues to this day.

Intervention is defined as the action of the paramount regional power against a smaller state within its so-called "sphere of influence."

Intervention is defined by its victims.

But the difference between Soviet actions in their "sphere of influence" and United States actions in theirs is that the Soviet regime is a tyranny and you are a democracy.

Yet more and more, over the past two years, I have heard North Americans in responsible positions speak of not caring whether the United States is loved, but whether it is feared; not whether it is admired for its cultural and political accomplishments, but respected for its material power; not whether the rights of others are respected, but its own strategic interest are defended.

These are inclinations that we have come to associate with the brutal diplomacy of the Soviet Union.

But we, the true friends of your great nation in Latin America, we the admirers of your extraordinary achievements in literature, science and the arts and of your democratic institutions, of your Congress and your Courts, your Universities and publishing houses and your free press—we your true friends, because we are your friends, will not permit you to conduct yourselves in Latin American affairs as the Soviet Union conducts itself in Central European and Central Asian affairs.

You are not the Soviet Union.

We shall be the custodians of your own true interests by helping you to avoid these mistakes.

We have memory on our side.

You suffer too much from historical amnesia.

You seem to have forgotten that your own Republic was born out of the barrel of a gun: the American Revolutionaries also shot their way to power.

We hope to have persuasion on our side, but also the body of international and inter-American law to help us.

We also have our own growing strategic preoccupations as to whether, under the guise of defending us from remote Soviet menaces and delirious domino effects, the United States would create one vast Latin American protectorate.

Meeting at Cancun on April 29, the Presidents of Mexico and Brazil, Miguel de la Madrid and Foao Figueeiredo, agreed that "the Central American crisis has its origin in the economic and social structures prevalent in the region and [that] the efforts to overcome it must . . . avoid the tendency to define it as a chapter in East-West confrontation."

And the Prime Minister of Spain, Felipe Gonzalez, on the eve of his visit to Washington, defined U.S. involvements in Central America as "fundamentally harmful" to the nations of the region and damaging to the international standing of the United States.

Yes, your alliances will crumble and your security will be endangered if you do not demonstrate that you are an enlightened, responsible power in your dealings with Latin America.

Yes, you must demonstrate your humanity and your intelligence here, in this house we share, our Hemisphere, or nowhere shall you be democratically credible.

Where are the Franklin Roosevelts, the Sumner Welleses, the George Marshalls, and the Dean Achesons demanded by the times?

FRIENDS AND SATELLITES

The great weakness of the Soviet Union is that it is surrounded by satellites, not by friends.

Sooner or later, the rebellion of the outlying nations in the Soviet sphere will eat, more and more deeply, into the innards of what Lord Carrington recently called "a decaying Byzantium."

The United Sates has the great strength of having friends, not satellites, on its borders.

Canada and Mexico are two independent nations that disagree on many issues with United States.

We know that in public, as in personal life, nothing is more destructive of the self than being surrounded by sycophants.

But the same way as there are "yes men" in this world, there are "yes nations."

A "yes nation" harms itself as much as it harms its powerful protector: it deprives both of dignity, foresight and the sense of reality.

Nevertheless, Mexico has been chosen as a target of "diplomatic isolation" by the National Security Council Document on Policy in Central America and Cuba through Fiscal Year 84.

We know in Latin America that "isolation" can be a euphemism for destabilization.

Indeed, every time a prominent member of the Administration in Washington refers to Mexico as the ultimate domino, a prominent member of the Administration in Mexico City must stop in his tracks, offer a rebuttal and consolidate the nationalist legitimation of the Mexican government: Mexico is capable of governing itself without outside interference.

But if Mexico is a domino, then it fears being pushed from the North rather than from the South; such has been our historical experience.

This would be the ultimate accomplishment of Washington's penchant for the self-fulfilling prophecy: A Mexico destabilized by American nightmares about Mexico. We should all be warned about this.

Far from being "blind" or "complacent," Mexico is offering its friendly hand to the United States to help it avoid the repetition of costly historical mistakes which have deeply hurt us all, North Americans and Latin Americans.

Public opinion in this country shall judge whether Mexico's obvious good faith in this matter is spurned as the United States is driven into a deepening involvement in the Central American swamp.

A Vietnam all the more dangerous because of its nearness to your national territory, indeed, but not for the reasons officially invoked. The turmoil of revolution, if permitted to run its course, promptly finds its institutional channels.

But if thwarted by intervention it will plague the United States for decades to come: Central America and the Caribbean will become the Banquo of the United States: an endemic drain on your human and material resources.

The source of change in Latin America is not in Moscow or Havana: it is in history.

So, let me turn to ourselves, as Latin Americans.

FOUR FAILURES OF IDENTIFICATION

The failure of your present hemispheric policies is due to a fourfold failure of identification.

The first is the failure to identify change in Latin America in its cultural context.

The second is the failure to identify nationalism as the historical bearer of change in Latin America.

The third is the failure to identify the problems of international redistribution of power as they affect Latin America.

The fourth is the failure to identify the grounds for negotiations as these issues create conflict between the United States and Latin America.

THE CULTURAL CONTEXT OF LATIN AMERICA

First, the cultural context of change in Latin America.

Our societies are marked by cultural continuity and political discontinuity.

We are a Balkanized polity, yet we are deeply united by a common cultural experience.

We are and we are not of the West.

We are Indian, Black and Mediterranean.

We received the legacy of the West in an incomplete fashion, deformed by the Spanish monarchy's decision to outlaw unorthodox strains, to defeat the democratic yearnings of its own middle class and to superimpose the vertical structures of the Medieval imperium on the equally pyramidal configuration of power in the Indian civilizations of the Americas.

As it embarked on its imperial dealings with men and women of different cultures—if they had left at daybreak, they would be there now—Spanish absolutism mutilated the Iberian tree of its Arab and Jewish branches, heavy with fruit.

The United States is the only major power of the West that was born beyond the Middle Ages, modern at birth.

As part of the fortress of the Counter-Reformation, Latin America has had to do constant battle with the past. We did not acquire freedom of speech, freedom of belief, freedom of enterprise as our birthrights, as you did.

We have had to fight desperately for them.

The complexity of the cultural struggles underlying our political and economic struggles has to do with unresolved tensions, sometimes as old as the conflict between pantheism and monotheism; or as recent as the conflict between tradition and modernity.

This is our cultural baggage, both heavy and rich.

The issues we are dealing with, behind the headlines, are very cold.

They are finally being aired today, but they originated in colonial, sometimes in pre-Conquest situations and are embedded in the culture of Iberian Catholicism and its emphasis on dogma and hierarchy, and intellectual inclination that sometimes drives us from one church to another in search of refuge and certitude.

They are bedeviled by patrimonial confusions between private and public rights and forms of sanctified corruption that include nepotism, whim and the irrational economic decision made by the head of the clan, untrammelled by checks and balances.

They have to do with the traditions of paternalistic surrender to the Caudillo, the profound faith in ideas over facts, the strength of elitism and personalism and the weakness of the civil societies; the struggles between theocracy and political institutions, and between centralism and local government.

Since Independence in the 1820's we have been obsessed with catching up with the Joneses: the West.

We created legal countries which disguised the real countries abiding—or festering—behind the constitutional facades.

Latin America has tried to find solutions to its old problems by exhausting the successive ideologies of the West: Liberalism, Positivism and Marxism.

Today, we are on the verge of transcending this dilemma by recasting it as an opportunity, at last, to be ourselves—societies neither new nor old, but, simply, authentically, Latin American as we sort out, in the excessive glare of instant communications or in the eternal dusk of our isolated villages, the benefits and the disadvantages of a tradition that now seems richer and more acceptable than it did one hundred years of solitude ago.

But we are also forced to contemplate the benefits and disadvantages of a modernity that now seems less promising than it did before economic crisis, the tragic ambiguity of science and that barbarism of nations and philosophies that were once supposed to represent "progress," all drive us to search for the time and space of culture in ourselves.

We are true children of Spain and Portugal. We have compensated for the failures of history with the successes of art.

We are now moving to what our best novels and poems and paintings and films and dances and thoughts have announced for so long: the compensation for the failures of history with the successes of politics.

The real struggle for Latin America is then, as always, a struggle with ourselves, within ourselves.

We must solve it by ourselves.

Nobody else can truly know it; we are living through our family quarrels.

We must assimilate this conflicted past.

Sometimes we must do it—as has occurred in Mexico, Cuba, El Salvador and Nicaragua—through violent means.

We need time and culture.

We also need patience.

Both ours and yours.

NATIONALISM IN LATIN AMERICA

Second, the identification of nationalism as the legitimate bearer of change in Latin America.

The cultural conflict I have evoked includes the stubbornness of the minimal popular demands, after all these centuries, which equate freedom with bread, schools, hospitals, national independence and a sense of dignity.

If left to ourselves, we will try to solve these problems by creating national institutions to deal with them.

All we ask from you is cooperation, trade and normal diplomatic relations.

Not your absence, but your civilized presence.

We must grow with our own mistakes.

Are we to be considered your true friends, only if we are ruled by right-wing, anti-communist despotisms?

Instability in Latin America—or anywhere in the world, for that matter—comes when societies cannot see themselves reflected in their institutions.

DEMOCRACY IN LATIN AMERICA

Change in our societies shall be radical in two dimensions.

Externally, it will be more radical the more the United States intervenes against it or helps to postpone it.

Internally, it will of necessity be radical in that it must one day face up to the challenges we have so far been unable to meet squarely: we must face democracy along with reform: we must face cultural integrity along with change; we must all finally face, Cubans, Salvadorans, Nicaraguans and Argentinians, Mexicans and Colombians, the questions that awaits us on the threshold of our civilization, of creating free societies, societies that take care of the basic needs of health, education and labor, but without sacrificing the equally basic needs of debate, criticism and political and cultural expression?

I know that all of us, without exception, have not truly fulfilled these needs in Latin America.

I also know that the transformation of our national movements into pawns of the East-West conflict make it impossible for us to answer this question: Are we capable of creating free national societies?

This is perhaps our severest historical test.

Rightly or wrongly, many Latin Americans have come to identify the United States with opposition to our national independence.

Some perceive in United States policies the proof that the real menace to a great power is not really the other great power, but the independence of the national states: how else to understand U.S. actions that seem meaninglessly obsessed with discrediting the national revolutions in Latin America?

Some are thankful that another great power exists, and appeal to it.

All of this also escalates and denaturalizes the issues at hand and avoids considering the third failure I want to deal with today: the failure to understand redistribution of power in the Western hemisphere.

LATIN AMERICA AND THE REDISTRIBUTION OF POWER

It could be debated whether the explosiveness of many Latin American societies is due less to stagnation than to growth, the quickest growth of any region in the world since 1945.

But this has been rapid growth without equally rapid distribution of the benefits of growth.

The contrast has become as explosive and understandable as it was in 1810 against Spanish colonial rule.

And it has coincided, internationally, with rapidly expanding relations between Latin America and new European and Asian partners in trade, financing, technology and political support.

Latin America is thus part and parcel of the universal trend away from bipolar to multipolar or pluralistic structures in international relations.

Given this trend, the decline of one superpower mirrors the decline of the other superpower.

This is bound to create numerous areas of conflict. As Chancellor Helmut Schmidt eloquently expressed it from this same rostrum, "We are living in an economically interdependent world of more than 150 countries—without having enough experience in managing this interdependence."

Both superpowers increasingly face a perfectly logical movement toward national self-assertion accompanied by growing multilateral relationships beyond the decaying spheres of influence.

No change comes about without tension and in Latin America this tension arises as we strive for greater wealth and independence, but also as we immediately start losing both because of internal economic injustice and external economic crisis.

The middle classes we have spawned over the past fifty years are shaken by a revolution of diminishing expectations—of Balzacian "lost illusions."

Modernity and its values are coming under critical fire while the values of nationalism are discovered to be perfectly identifiable with traditionalist, even conservative considerations.

The mistaken identification of change in Latin America as somehow manipulated by a Soviet conspiracy not only irritates the nationalism of the l[illegible]. It also resurrects the nationist fervors of the right—where, after all, Latin American nationalism was born in the early 19th century.

You have yet to feel the full force of this backlash, which reappeared in Argentina and the South Atlantic crisis last year, in places such as El Salvador and Panama, Peru and Chile, Mexico and Brazil.

A whole continent, in the name of cultural identity, nationalism and international independence, is capable of uniting against you.

This should not happen.

The chance of avoiding this continental confrontation is in the fourth and final opening I wish to deal with today: that of negotiations.

NEGOTIATIONS BEFORE IT IS TOO LATE

Before the United States has to negotiate with extreme cultural, nationalistic and internationalist pressures of both the left and the right in the remotest nations of this hemisphere—Chile and Argentina—, in the largest nation—Brazil—and in the closest one—Mexico—it should rapidly, in its own interest as well as ours, negotiate in Central America and the Caribbean.

We consider in Mexico that each and every one of the points of conflict in the region can be solved diplomatically, through negotiations, before it is too late.

There is no fatality in politics that says: given a revolutionary movement in any country in the region, it will inevitably end up providing bases for the Soviet Union.

What happens between the daybreak of revolution in a marginal country and its imagined destiny as a Soviet base?

If nothing happens but harassment, blockades, propaganda, pressures and invasions against the revolutionary country, then that prophecy will become self-fulfilling.

But if power with historical memory and diplomacy with historical imagination come into play, we, the United States and Latin America, might end up with something very different:

A Latin America of independent states building institutions of stability, renewing the culture of national identity, diversifying our economic interdependence and wearing down the dogmas of two musty 19th century philosophies.

And a United States giving the example of a tone in relations which is present, active,

co-operative, respectful, aware of cultural differences and truly proper for a great power unafraid of ideological labels, capable of coexisting with diversity in Latin America as it has learnt to coexist with diversity in Black Africa.

Precisely twenty years ago, John F. Kennedy said at another Commencement ceremony: "If we cannot end now our differences, at least we can help make the world safe for diversity."

This, I think, is the greatest legacy of the sacrificed statesman whose death we all mourned.

Let us understand that legacy, by which death ceased to be an enigma and became, not a lament for what might have been, but a hope for what can be.

This can be.

The longer the situation of war lasts in Central America and the Caribbean, the more difficult it shall be to assure a political solution.

The more difficult it will be for the Sandanistas to demonstrate good faith in their dealings with the issues of internal democracy, now brutally interrupted by a state of emergency imposed as a response to foreign pressures.

The more difficult it will be for the civilian arm of the Salvadoran rebellion to maintain political initiative over the armed factions.

The greater the irritation of Panama as it is used as a springboard for a North American war.

The greater the danger of a generalized conflict, dragging into Coasta Rica and Honduras.

Everything can be negotiated in Central America and the Caribbean, before it is too late.

Non-aggression pacts between each and every state.

Border patrols.

The interdiction of passage of arms, wherever they may come from, and the interdiction of foreign military advisers, wherever they may come from.

The reduction of all the armies in the region.

The interdiction, now or ever, of Soviet bases or Soviet offensive capabilities in the area.

What would be the quid pro quo?

Simply this: the respect of the United States, respect for the integrity and autonomy of all the states in the region, including normalization of relations with all of them.

The countries in the region should not be forced to seek solutions to their problems outside themselves.

The problems of Cuba are Cuban and shall be so once more when the United States understands that by refusing to talk to Cuba on Cuba, it not only weakens Cuba and the United States, but strengthens the Soviet Union.

The mistake of spurning Cuba's constant offers to negotiate whatever the United States wants to discuss frustrates the forces in Cuba desiring greater internal flexibility and international independence.

Is Fidel Castro some sort of superior Machiavelli whom no gringo negotiator can meet at a bargaining table without being bamboozled by him? I don't believe it.

NICARAGUA

The problems of Nicaragua are Nicaraguan but they will cease to be so if that country is deprived of all possibility for normal survival.

Why is the United States so impatient with four years of Sandinismo, when it was so tolerant of forty-five years of Somocismo?

Why is it so worried about free elections in Nicaragua, but so indifferent to free elections in Chile?

And why, if it respects democracy so much, did the United States not rush to the defense of the democratically elected President of Chile, Salvador Allende, when he was overthrown by the Southern Jaruzelski, General Augusto Pinochet?

How can we live and grow together on the basis of such hypocrisy?

Nicaragua is being attacked and invaded by forces sponsored by the United States.

It is being invaded by counter-revolutionary bands led by former commanders of Somoza's National Guard who are out to overthrow the Revolutionary government and re-instate the old tyranny.

Who will stop them from doing so if they win?

These are not freedom fighters. They are Benedict Arnolds.

EL SALVADOR

The problems of El Salvador, finally, are Salvadoran.

The Salvadoran rebellion did not originate and is not manipulated from outside El Salvador. To believe this is akin to crediting Soviet accusations that the Solidarity Movement in Poland is somehow the creature of the United States. The passage of arms from Nicaragua to El Salvador has not been proved: no arms have been intercepted.

The conflict in El Salvador is the indigenous result of a process of political corruption and democratic impossibility that began in 1931 with the electoral results by the Army, and culminated in the electoral fraud of 1972, which deprived the Christian Democrats and the Social Democrats of their victory and forced the sons of the middle class into armed insurrection. The Army had exhausted the electoral solution.

This Army continued to outwit everyone in El Salvador—including the United States. It announces elections after assassinating the political leadership of the opposition, then asks the opposition to come back and participate in these same hastily organized elections—as dead souls, perhaps?

This Gogolian scenario means that truly free elections cannot be held in El Salvador as long as the Army and the death squads are unrestrained and fueled by American dollars.

Nothing now assures Salvadorans that the Army and the squads can either defeat the rebels or be controlled by political insitiutions.

It is precisely because of the nature of the Army that a political settlement must be reached in El Salvador promptly, not only to stop the horrendous death count, not only to restrain both the Army and the armed rebels, not only to assure your young people in the United States that they will not be doomed to repeat the horror and futility of Vietnam, but to reconstruct a political initiative of the center-left majority that must now reflect, nevertheless, the need for a restructured Army. El Salvador cannot be governed with such a heavy burden of crime.

The only other option is to transform the war in El Salvador into an American war.

But why should a bad foreign policy be bipartisan?

Without the rebels in El Salvador, the United States would never have worried about "democracy" in El Salvador. If the rebels are denied political participation in El Salvador, how long will it be before El Salvador is totally forgotten once more?

Let us remember, let us imagine, let us reflect.

The United States can no longer go it alone in Central America and the Caribbean. It cannot, in today's world, practice the anachronistic policies of the "Big Stick."

It will only achieve, if it does so, what it cannot truly want.

Many of our countries are struggling to cease being banana republics.

They do not want to become balalaika republics.

Do not force them to choose between appealing to the Soviet Union or capitulating to the United States.

My plea is this one:

Do not practice negative overlordship in this hemisphere.

Practice positive leadership. Join the forces of change and patience and identity in Latin America.

The United States should use the new realities of re-distributed world power to its advantage. All the avenues I have been dealing with come together now to form a circle of possible harmony: the United States has true friends in this hemisphere; these friends must negotiate the situations that the United States, while participating in them, cannot possibly negotiate for itself, and the negotiating parties—from Mexico and Venezuela, Panama and Colombia, tomorrow perhaps our great Portuguese speaking sister, Brazil, perhaps the new Spanish democracy, re-establishing the continuum of our Iberian heritage, and expanding the Contadora group—have the intimate knowledge of the underlying cultural problems.

And they have the imagination for assuring the inevitable passage from the American sphere of influence, not to the Soviet sphere, but to our own Latin American authenticity in a pluralistic world.

President Bok, Ladies and Gentlemen: My friend Milan Kundera, the Czech novelist, makes a plea for "the small cultures" from the wounded heart of Central Europe.

I have tried to echo it today from the convulsed heart of Latin America.

Politicians will disappear.

The United States and Latin America will remain.

What sort of neighbors will you have?

What sort of neighbors will we have?

That will depend on the quality of our memory and also of our imagination.

"If we had started out at daybreak, we would be there now."

Our times have not coincided.

Your daybreak came quickly.

Our night has been long.

But we can overcome the distance between our times if we can both recognize that the true duration of the human heart is in the present, this present in which we remember and we desire: this present where our past and our future are one.

Reality is not the product of an ideological phantasm.

It is the result of history.

And history is something we have created ourselves.

We are thus responsible for our history.

No one was present in the past.

But there is no living present with a dead past.

No one has been present in the future.

But there is no living present without the imagination of a better world.

We both made the history of this Hemisphere.

We must both remember it.

We must both imagine it.

We need your memory and your imagination or ours shall never be complete.

We need our memory to redeem your past, and our imagination to complete your future.

We may be here on this hemisphere for a long time.

Let us remember one another.

Let us respect one another.

Let us walk together outside the night of repression and hunger and intervention, even if for you the sun is at high noon and for us is at a quarter to twelve.●

REDUCING TACTICAL NUCLEAR WEAPONS

● Mr. KENNEDY. Mr. President, while a justifiable amount of concern has been focused on the slow pace of the START (strategic arms reduction talks) and INF (intermediate nuclear force) negotiations, there has been almost no attention paid, by the public or by the administration, to the problem of limiting and reducing levels of tactical nuclear weapons.

There are more of these small nuclear warheads than there are of any single type of nuclear weapon. Furthermore, these weapons are also the most likely to be used in the event of war. Yet, almost unbelievably, the problem of reducing tactical warhead stockpiles is not even being discussed in any negotiations by the Reagan administration.

Mr. President, the former deputy U.S. representative to the mutual and balanced force reduction (MBFR) talks, Mr. Thomas Hirschfeld, has written a thoughtful article entitled "Those Little Nuclear Weapons Are Dangerous," Washington Post, July 6, 1983, in which he urges that we place the issue of tactical nuclear weapons on the MBFR bargaining table. I agree fully with Mr. Hirschfeld that—

There is no good reason why NATO could not thin out its tactical nuclear forces to advantage, provided that it persuades the Russians to do the same.

I commend Mr. Hirschfeld's article to my colleagues, and I ask that it be reprinted in the RECORD.

The article follows:

[From the Washington Post, July 6, 1983]

THOSE LITTLE NUCLEAR WEAPONS ARE DANGEROUS

(By Thomas Hirschfeld)

When Defense Secretary Caspar Weinberger revealed the existence of Soviet nuclear weapon storage sites in Eastern Europe last month, he inadvertently raised a larger issue. In response to press questions as to whether the weapons being stockpiled—short-range or "tactical" nuclear systems—were being discussed in any continuing arms control negotiations, he equivocated. This is because they are not being discussed.

The omission of tactical nuclear weapons—nuclear-tipped artillery shells, surface-to-surface rockets and land mines—from the Reagan administration's arms control agenda is ironic because the longstanding NATO advantage in nuclear delivery systems of less than 1,000-kilometer range is fast eroding. If one excludes the systems with the shortest range—i.e., the nuclear artillery tubes—from the calculation, one counts some 409 launchers for NATO to some 630 for the Warsaw Pact outside the Soviet Union.

In the warhead totals of both sides, tactical weapons represent the largest single category. They are also the most dangerous, because if war breaks out, they are the most likely to be used. They should be placed on the bargaining table as soon as possible.

NATO's short-range systems are located in Belgium, the Netherlands, West Germany, Italy, Greece and Turkey; France has short-range launchers of its own. Warsaw Pact launchers are located on the territories of East Germany, Poland, Bulgaria, Czechoslovakia, Romania and Hungary, as well as on Soviet territory.

NATO originally deployed short-range or tactical nuclear systems because their very presence complicates an attacker's problems. Their deployment makes massing armor for attack difficult. The Soviets presumably deployed their short-range systems for similar reasons and for the support of their offensive doctrine.

But regardless of why these nuclear weapons were deployed, few would argue that they are necessary in their present numbers. The United States implicitly accepted this point by unilaterally withdrawing 1,000 nuclear warheads from Europe in 1980.

Many of the tactical nuclear weapons in Europe are useless. For example, the United States stored hundreds of nuclear land mines in Europe in the 1950s. They are still there. They have never been deployed. This is because the Germans would not permit it.

One suspects it is a bad idea to allow the first vehicle that crosses an arbitrary line to risk starting global war. Furthermore, aircraft on nuclear alert could have more useful conventional roles, as could the troops that guard nuclear storage sites. By eliminating nuclear roles for some of its dual-capable weapons, NATO gains forces that can fight, at the expense of forces that can only posture.

The Supreme Allied Commander, Gen. Bernard Rogers, has suggested that NATO defense deemphasize tactical nucler weapons. He points out that modern military technology has effective and safer substitutes for them as tank killers, for example, and he has repeatedly urged that NATO acquire these new technologies. Is anyone listening?

In brief, although it might be dangerous to denuclearize the NATO forward area completely, there is no good reason why NATO could not thin out its tactical nuclear forces to advantage, provided that it persuades the Russians to do the same.

Fortunately the arms control from for reducing tactical nuclear weapons on both sides already exists. It is the 10-year-old negotiation on mutual and balanced force reductions (MBFR) in Central Europe. The countries participating in these negotiations happen to be those with short-range nuclear weapons on their soil.

Because of their glacier-like pace, the MBFR talks have largely disappeared from public discussion. Yet agreement may be closer in that forum than in any of the other ongoing arms control negotiations. President Reagan refers to these talks as "conventional arms talks," although there are no arms, only personnel, being considered for reduction, at present.

Yet until 1979, short-range nuclear weapons were being negotiated in MBFR. NATO had hoped to trade away some of its nuclear weapons against Warsaw Pact tanks. With the increase in the numbers of Warsaw Pact tactical missiles in the area covered by the MBFR negotiations, the next effort should be to limit tactical nuclear weapons on both sides.

An agreement restricting tactical or short-range nuclear weapons in Europe would add much to the value of the INF or theater missile talks. It could ensure that neither side makes up with even more dangerous short-range weapons what it loses in intermediate-rang capabilities. That in itself would be worth the effort.●

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, as I have indicated earlier and as the minority leader and I discussed in the Chamber on yesterday, I wish to do an appropriations bill that is available now. It has just become available. It appears to be noncontroversial but it would be another one of the regular appropriations bills. I refer, Mr. President, to the transportation appropriations bill, which is Calendar Order No. 284, H.R. 3329.

Could I inquire of the minority leader if he is in a position to let us proceed to that at this time by unanimous consent?

Mr. BYRD. Mr. President, the majority leader discussed this with me on yesterday, and I discussed it with Mr. CHILES on yesterday. We have touched the bases and we on this side will waive the 3-day rule, the first day of which begins today. We will waive the 3-day rule with the understanding that the measure be taken up now, which the majority leader is ready to take up and that it will be disposed of within a reasonable length of time, and I am confident with these two managers that that will be done.

Mr. BAKER. I am grateful to the minority leader. That is most cooperative of him, and it is going to materially improve the chances of carrying through with our effort to pass as many of the appropriations bills as possible as promptly as we can.

Mr. President, in view of that, I now ask unanimous consent that the pending measure be temporarily laid aside and that the Senate proceed to the consideration of Calendar Order No. 284, H.R. 3329.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1984

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. BAKER. Mr. President, will the Senator yield to me for a moment?

Mr. ANDREWS. I am happy to yield to the majority leader.

Mr. BAKER. Mr. President, two things.

First, I ask the Chair to close morning business.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. BAKER. Second, Mr. President, in the form I put it, a call for regular order would bring back DOD, but I would not want a call for the regular order to bring this bill back in event we do not finish it. I do not expect that.

But I ask unanimous consent, then, that no call for the regular order would bring back this bill after we return to the consideration of the Department of Defense authorization bill.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. Would the majority leader merely formulate the request to the extent that a call for the regular order will not bring this bill back?

Mr. BAKER. The minority leader is talking about the transportation bill?

Mr. BYRD. I am talking about the transportation appropriations bill.

Mr. BAKER. Yes. That is what I tried to state in an awkward way.

Mr. President, I so make that request now.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from North Dakota is recognized.

Mr. ANDREWS. Mr. President, I yield to the Senator from Colorado.

Mr. HART. Mr. President, I ask the distinguished floor manager about how much time does he believe it will take?

Mr. ANDREWS. The Senator from Florida and I feel we can handle it within a half-hour. We assured the leadership on both sides of the aisle that we would do it within a half-hour, since we did not have a unanimous-consent agreement, or they will take down the bill. We hope we can conclude it because we are anxious to go to conference, as I am sure the Senator from Colorado knows.

Mr. HART. I thank the distinguished Senator.

Mr. ANDREWS. Mr. President, H.R. 3329, the fiscal year 1984 transportation appropriations bill, contains $10.9 billion in budget authority and an estimated $25.4 billion in outlays. The bill meets the Appropriations Committee's 302(b) allocation under the budget resolution. It is critical to note that the bill is $444 million below the House-passed level.

Mr. President, let me assure my colleagues that the reason for that was our own Senate budget resolution. We are not coming out here playing the heavyhanded knife wielders because we would have liked to have seen many of these programs funded at a higher level. However, if we are going to take strong action concerning these outyear deficits, we have to conform with the budget level figures and the subcommittee and the full committee did just that.

The bill is also $58 million below the President's requests and has at the present level the support of the Budget Director, Mr. Stockman, with the assurance that if the bill stays at this figure it will be signed.

The committee labored diligently to achieve these reductions in the hope of getting a bill through conference that the President will sign. It has been difficult, Mr. President, as everyone knows, to strike a balance between the Nation's transportation needs and overall fiscal constraints. However, this balance must be maintained by the Senate if we are to avoid a stalemate with the executive branch over funding levels and, as I said earlier, Mr. President, if we are to live with our own Budget Committee's level of funding for this particular area.

I wish to express my thanks to the members of the committee for their cooperation and most especially to Senator LAWTON CHILES, the ranking minority member, whose assistance has been especially valuable.

I urge my colleagues' support for the bill. I think it is a good bill, and is responsive to needs in all the areas. The only wish I would have had is that we would have been able to increase funding in some of those areas.

I am glad to yield to my colleague, Senator CHILES, at this point for whatever remarks he might have to make.

Mr. CHILES. Mr. President, I rise in support of the statement made by Senator ANDREWS, chairman of the Appropriations Subcommittee on Transportation. Senator ANDREWS and his staff have labored long and hard on this bill, and their very skillful work is evident throughout the legislation and the accompanying report. Chairman ANDREWS and I have worked hard to accommodate the important transportation issues that other Members have brought to our attention. We have sought to reach these accommodations within the policies established by the authorizing committees and within the funding levels agreed to in the budget resolution.

As the chairman has said, we are well within the budget resolution. In fact, we are well under that resolution, and could have funded additional projects. However, there is the problem of confrontation with the executive branch, and in an effort to try to get this bill on its way we have reduced it down below the level requested by the President.

The committee drafted this bill with an understanding that we need to reinvest in our Nation's transportation system to reverse the cycle of a decaying transportation system. It was drafted with an understanding that a good transportation system underlies and supports the commercial fabric of our country. We have done this, however, in a fiscally restrained manner recognizing that while the problems are large, the resources we have to deal with them are not unlimited.

As an indication of the fiscal restraint included in the appropriation bill before us, it is $444.3 million below the level recommended by the House. It is $444.4 million below the amount assumed in the budget resolution. It is $57.9 million below the administration's request, and it is $44.4 million below the 302(B) allocations made by the committee yesterday. Mr. Chairman, the Transportation Appropriations Subcommittee recommended to our full committee yesterday a 302(B) ceiling that is $400 million below the level included in the budget resolution. It is fair to report that this bill is lean and fiscally restrained.

Mr. President, last December this Congress passed the Surface Transportation Assistance Act of 1982. That legislation provided for an approximate 50-percent increase in highway spending to help rebuild and repair our deteriorated system of highways and bridges. That legislation also included reauthorization for the Urban Mass Transportation Administration, and last September we adopted legislation—the Airport and Airway Improvement Act of 1982—that reauthorized the airport programs. This new authorizing legislation has permitted program growth in key areas. For example:

Included in the bill is an overall ceiling of $12.6 billion for the highway program compared to the $8.1 billion ceiling that we started with last year.

Also included is an increase of $321.9 million for aviation programs and an increase of $50 million for the airports grants-in-aid program.

These increases are permitted by the important transportation legislation that we passed last year.

While the committee's recommendation for transit funding is $725.4 million less than last year, it is $307.9 million more than the administration's requests. Our transit recommendations also reject two administration policy proposals that we believe would be detrimental to transit systems around the country. First, we have rejected the proposal to abolish operating assistance, and second we have rejected the proposal to eliminate new rail starts. We have in fact funded the continuation or initiation of 12 new rail systems around the country, and these systems will help meet important transportation needs well into the next century.

Mr. President, while I support the bill in general, there is one portion of it that troubles me. The $1.5 billion funding proposed for the Coast Guard is an increase of only $49 million from last year. This is below the administration request, and it is below the House allowance. The Coast Guard—the fifth branch of the Armed Forces—is an agency which we have consistently sought to fund at levels higher than those recommended by the administration. During times of war the Coast Guard has an important military role under the command structure of the Navy. During times of peace the Coast Guard has many functions including search and rescue at sea and interdiction of foreign drugs. The Coast Guard has successfully reduced the flow of illegal drugs into south Florida. It has also stemmed the flow of illegal aliens into this country. I do not support the funding levels proposed for the Coast Guard in this bill. I feel that we are only deferring an adequate level of funding that must be provided to permit the Coast Guard to rebuild its aging fleet and to permit it to effectively meet its many responsibilities.

Mr. President, on balance—with this one exception—I support the bill. I believe it is the best piece of legislation that can be achieved within the funding constraints required to get it signed.

Mr. President, I would urge my colleagues to support the bill and commend Chairman ANDREWS for his very fair and courteous treatment of Members on both sides of the aisle and for his very broad understanding of the transportation issues facing America today.

Mr. ANDREWS. Mr. President, I move that the committee amendment, be agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of further amendment, and that no points of order be considered as having been waived.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

The motion was agreed to.

The committee amendments agreed to en bloc follow:

On page 2, line 6, strike "$35,000", and insert "$38,000";

On page 2, line 16, strike ": Provided", through and including line 20;

On page 3, line 2, strike "$2,500,000", and insert "$7,256,000";

On page 4, line 6, strike "$67,750,000", and insert "$68,198,000";

On page 3, line 18, strike "$1,675,289,000", and insert "$1,648,256,000";

On page 3, line 21, after "reduction", insert the following: *Provided,* That of the foregoing total amount, at least $26,700,000 shall be placed in a separate reimbursable fund to be available only for polar icebreaker operations and maintenance: *Provided further,*

On page 4, line 17, strike "$369,000,000", and insert "$370,900,000";

On page 4, line 20, strike "$7,400,000", and insert "$12,600,000";

On page 5, line 15, strike "$23,500,000", and insert "$22,000,000";

On page 6, line 4, strike "$1,000,000", and insert "such sums as may be necessary";

On page 6, line 19, strike "$1,000,000", and insert "such sums as may be necessary";

On page 7, line 11, strike "$10,000,000", and insert "$15,000,000";

On page 7, line 16, strike "$10,000,000", and insert "$15,000,000";

On page 8, line 2, after the sum, insert the following:

: *Provided,* That the Secretary of Transportation is authorized to transfer appropriated funds between this appropriation and the Federal Aviation Administration appropriation for Operations: *Provided further,* That this appropriation shall be neither increased nor decreased by more than 7.5 per centum by any such transfers: *Provided further,* That any such transfers shall be reported to the Committees on Appropriations.

On page 8, line 21, strike the sum, through line 22, and insert "$2,500,000,000";

On page 9, line 23, strike "$985,500,000", and insert "$750,000,000";

On page 10, line 10, strike "$278,000,000", and insert "$263,452,000";

On page 10, strike line 19;

On page 11, line 3, strike "$900,000,000", and insert "$800,000,000";

On page 11, line 7, strike "Provided", through and including "rescinded" on line 11, and insert the following:

: *Provided further,* That, notwithstanding any other provision of law, of the foregoing limitation at least $80,000,000 shall first be made available to fund construction of all eligible portions of new air carrier runways, and related construction, at airports as to which joint Department of Transportation/Federal Aviation Administration Task Force Delay Studies have been prepared for issuance in 1983, or later, showing annual delay costs attributable to inadequate runway capacity that will exceed the cost of construction, and as to which the sponsor's preapplication shall specify a 1984 project start date, whereafter the balance of the $80,000,000 shall revert to the discretionary funds.

On page 12, line 22, strike the sum, and insert "including purchase of fourteen buses, $15,250,000";

On page 13, after line 14, insert the following:

: *Provided,* That notwithstanding any other provision of law, the Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to the guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). The number of such obligations when combined with the aggregate of all such obligations made during fiscal year 1983 shall not exceed $250,000,000 by September 30, 1984. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchase, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.

On page 14, line 20, strike "$198,600,000", and insert "$202,687,000";

On page 15, line 17, strike "$8,000,000", and insert "$10,000,000";

On page 16, strike line 1, through and including line 5;

On page 16, strike line 19, through and including line 25;

On page 19, after line 13, insert the following:

Notwithstanding sections 125, 129, and 301 of title 23, United States Code, $21,000,000 from the Emergency Relief Fund authorized under section 125 of title 23, United States Code, shall be made available to repair or replace the Mianus Bridge on Interstate 95 in Greenwich, Connecticut, and for repair of local roads and for ancillary expenses incurred by the towns of Greenwich, Connecticut, and Port Chester, New York as a result of the Mianus Bridge collapse. Of the funds made available under this section, not more than $1,000,000 is to be equally divided to the towns of Greenwich, Connecticut, and Port Chester, New York.

On page 20, after line 5, insert the following:

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

For necessary expenses of certain Access Highway projects, as authorized by section 155 title 23 U.S.C., $4,270,000.

WASTE ISOLATION PILOT PROJECT ROADS

For necessary expenses in connection with planning and design activities associated with the upgrading of certain highways for the transportation of nuclear waste generated during defense-related activities, not otherwise provided for, $5,800,000, to remain available until expended: *Provided, however,* That these funds become available when construction of the Waste Isolation Pilot Project commences.

On page 21, line 4, strike ": Provided", through and including line 7;

On page 22, line 1, strike ": Provided", through and including "1984" on line 6;

On page 22, line 15, strike "$26,500,000", and insert "$28,900,000";

On page 22, strike line 21;

On page 23, line 3, strike "of which", through and including "Fund' " on line 5;

On page 23, line 18, strike ": Provided", through and including line 6 on page 24;

On page 26, line 1, strike "$720,000,000", and insert "$718,000,000";

On page 28, after line 12, insert the following: "Provided, The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding.

On page 29, line 5, after "Fund", strike through and including line 14;

On page 29, line 23, strike "$29,200,000", and insert "$29,666,000";

On page 30, line 15, strike "$2,488,592,200", and insert "$2,388,592,200";

On page 30, line 22, strike "$1,250,000,000", and insert "$1,200,000,000";

On page 31, line 17, strike "$335,000,000", and insert "$270,000,000";

On page 31, line 21, strike "$275,000,000", and insert "$230,000,000";

On page 32, after line 14, insert the following: including not to exceed $3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation:

On page 33, line 9, strike "$8,500,000", and insert "$8,000,000";

On page 33, line 15, strike "$25,895,000", and insert the following: $26,795,000, of which $900,000 shall be available only for necessary expenses of the Office of the Inspector General to augment the bid rigging investigative efforts currently underway.

On page 33, line 19, through and including line 22;

On page 34, line 17, strike "$20,615,000", and insert "$21,062,000";

On page 34, strike line 21;

On page 35, line 2, after "expenses", strike through and including line 3, and insert the following: $16,100,000, for the period October 1, 1983, through June 30, 1984.

On page 35, line 21, strike "$59,000,000" and insert "$62,000,000";

On page 36, line 3, after "program", strike through and including line 6, and insert the following: unless the Commission is precluded from meeting this requirement because of circumstances beyond its control.

On page 36, line 12, strike "$5,000,000" and insert "$10,000,000";

On page 37, line 9, strike "$418,962,000", and insert "$409,662,000;

On page 38, line 15, strike "$2,900,000", and insert "$2,500,000";

On page 38, after line 19, insert the following:

AIRLINE DEREGULATION STULY COMMISSION

There is hereby established a Study Commission to be known as the Airline Deregulation Study Commission, hereinafter in this section referred to as the "Study Commission".

The Study Commission shall make a full and complete investigation and study of the positive and negative efforts of deregulation on air transportation as they affect the air traveling public, small- and medium-sized communities, stockholders and investors, airline managements, airline employees, travel agents, and United States airframe and engine manufacturers, and shall make recommendations on what the Federal Government can do, if anything, to stabilize and counter the negative social and economic aspects that competition and the free market may be unable to address. The Commission shall review those elements of consideration outlined in section 1601(d) of the Airline Deregulation Act, and in addition shall comment with particularity on the CAB's report relative thereto, in compliance with section 1601(c). The Commission will be expected to recommend how the provisions of the Airline Deregulation Act may need to be revised to insure improvement of the Nation's air transportation system and how any residual or reestablished functions of the CAB should be organizationally structured.

The Study Commission shall be comprised of eleven members of varying backgrounds, who are well informed in matters relating to economics of airline operations and/or the needs and interests of the traveling public, as follows:

(A) four members appointed by the President of the Senate;

(B) four members appointed by the Speaker of the House of Representatives;

(C) two members appointed by the Secretary of Transportation; and

(D) one member appointed by the Civil Aeronautics Board.

The Study Commission shall, not later than April 15, 1984, submit to the President and the Congress its final report including findings and recommendations. The Study Commission shall cease to exist two months after submission of such report. All records and papers of the Study Commission shall thereupon be delivered to the Administrator of General Services for deposit in the Archives of the United States.

In carrying out its duties, the Study Commission shall seek the advice of various groups interested in airline operations including, but not limited to, State and local governments and public and private organizations working in the field of transportation. The Study Commission or, on authorization of the Study Commission, any committee of two or more members may, for the purpose of carrying out the provisions under this heading, hold such hearings and sit and act at such times and places as the Study Commission or such authorized committee may deem advisable.

The Chairman of the Study Commission shall be elected by the Commission from among its members. The Study Commission is authorized to secure from any department, agency, or instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this subsection and each department, agency, and instrumentality is authorized and directed to furnish such information to the Study Commission upon request made by the Chiarman.

Members of Congress who are members of the Study Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, per diem in accordance with the Rules of the House of Representatives or subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Study Commission. Members of the Study Commission, except Members of Congress, shall each receive compensation at a rate not in excess of the maximum rate of pay for GS-18, as provided in the General Schedule under section 5332 of title 5, United States Code, and shall be entitled to reimbursement for travel expenses, per diem in accordance with the Rules of the House of Representatives or subsistence, and other necessary expenses incurred by them in performance of duties while serving as a Study Commission member.

The Study Commission is authorized to appoint and fix the compensation of a staff director and such additional personnel as may be necessary to enable it to carry out its functions. The Director and personnel may be appointed without regard to the provisions of title 5, United States Code, covering appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employees subject to the civil service laws and regulations who may be employed by the Study Commission shall retain civil service status without interruption or loss of status or privilege. In no event shall an employee other than the staff director receive as compensation an amount in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code. In additional the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the maximum rate of pay for grade GS-18, as provided in the General Schedule under section 5332 of title 5, United States Code. The staff director shall be compensated at the rate of pay for a position at Level 2 of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

The Study Commission is authorized to enter into contracts or agreements for studies and surveys with public and private organizations and, if necessary, to transfer funds to Federal agencies from sums appropriated pursuant to this subsection to carry out such of its duties as the Study Commission determines can best be carried out in that manner.

Any vacancy which may occur on the Study Commission shall not effect its powers or functions but shall be filled in the same manner in which the original appointment was made.

SALARIES AND EXPENSES

For necessary expenses of the Airline Deregulation Study Commission, $500,000, to be derived by transfer from "Civil Aeronautics Board—Salaries and Expenses".

On page 50, strike line 1, through and including line 21;

On page 50, line 22, strike "317", and insert "314";

On page 51, after line 3, insert the following:

SEC. 315. No funds appropriated under this Act shall be expended to pay for any travel by the Administrator of the Federal Aviation Administration as passenger or crew member aboard any Department of Transportation aircraft to any destination served by a regularly scheduled air carrier: *Provided*, That this limitation shall not apply if no regularly scheduled carriers' flight arrives at the destination of the Administrator within 6 hours local time of the desired time of arrival: *Provided further*, That this limitation shall not apply to costs incurred by any flight which is essentially for the purpose of inspecting, investigating, or testing the operations of any aspect of

the Federal Aviation Administration system designed to aid and control air traffic, or to maintain or improve aviation safety: *Provided further,* That this limitation shall not apply to costs incurred by any flight in Department of Transportation aircraft which is necessary in times of emergency or disaster, or for security reasons, or to fulfill official diplomatic representation responsibilities in foreign countries: *Provided further,* That written certifications shall be issued quarterly on all flights initiated in the previous quarter subject to this limitation and shall be made readily available to Congress and the general public.

SEC. 316. Section 120(j) of title 23, United States Code, is amended by inserting after the word "Representatives" the following: ", and for funds allocated under the provisions of section 155 of this title and obligated subsequent to January 6, 1983,".

SEC. 317. None of the funds in this or any other Act shall be used by the Federal Aviation Administration for any facilities closures or consolidations prior to December 1, 1983: *Provided,* That the Federal Aviation Administration shall, no later than October 1, 1983, submit to the appropriate committees of the Congress a detailed, site-specific, and time-phased plan, including cost-effectiveness and other relevant data, for all facilities closures or consolidations over the next three years: *Provided further,* That, in the instance of any proposed closure or consolidation questioned in writing by a committee of the Congress, no such proposed closure or consolidation shall be advanced prior to April 15, 1984, in order to allow for the timely conduct of any necessary congressional hearings.

SEC. 318. Section 145 of Public Law 97-377, approved December 21, 1982, is amended (1) by designating the existing text thereof as subsection (a), and (2) by adding at the end thereof the following new subsection:

"(b) The amendment made by subsection (a) of this section shall be effective as of 5 o'clock ante meridian eastern daylight time, August 3, 1981.".

SEC. 319. Except as may be provided by a contrary judicial order, none of the funds appropriated by this Act shall be used by the Federal Aviation Administration to withhold Federal funds or disapprove Federal grant applications for the Westchester County Airport in White Plains, New York on account of the curfew enacted by the Westchester County Board of Legislators.

Mr. ANDREWS. Mr. President, I yield to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. First, I want to express my appreciation to the manager of this bill and to the members of the subcommittee for their firm and decisive action with respect to the Washington Airport policy. There seems to be an ongoing controversy, and I am hopeful that the action of the subcommittee can at long last put this issue to rest, and that the airport authorities and the Department of Transportation can proceed on a steady course to strike a balance between the services afforded the greater metropolitan community by National, Dulles, and BWI.

Indeed, the recommendations of the subcommittee are consistent with those of the Secretary of the Department of Transportation and, indeed, the Secretary showed great courage on this issue. Above all, safety is the prime consideration.

The guiding light on this issue should be safety.

One of the long-range transportation goals of the Virginia and Maryland congressional delegations, along with the Department of Transportation, has been to shift long-term growth away from congested Washington National Airport toward Dulles and BWI. We were able to make great progress toward this goal in 1981, when Secretary Drew Lewis' Washington Metropolitan Airports policy was implemented.

Secretary Lewis' policy was carefully designed to stop growth at National by placing a passenger cap of 16 million on the airport. It was originally anticipated that the 16-million passenger level would be reached by 1985. However, due to slower than expected growth, the FAA now estimates that the present cap will not be reached until 1990.

In order to accomplish the aims of the Lewis policy, Secretary DOLE has wisely proposed updating the regulations based on current data. The FAA has now projected the mid-1985 passenger level at 14.8 million based on the current level of 13.5 million.

The Dole proposal would reaffirm the present plan to cap passenger growth at National in 1985 by reducing the allowed level to either 14.8 million or a level between 14.8 million and 16 million, depending on the annual passenger volume forecast in January of 1985 by the FAA. In my judgment, this is completely reasonable.

Even with the present utilization of 13.5 million passengers, National is one of the most congested, overcrowded airports in America. If growth is allowed to continue unchecked, the current safety and pollution problems will only increase.

Based on the Federal Government's commitment to stop the growth at National and encourage an increased utilization of the metropolitan area's larger, more capable facilities at Dulles and BWI, the local and State governments in the area, along with the Federal Government, have poured thousands of dollars into highway systems and support mechanisms to carry out the plan, including the current 12-gate expansion of BWI's terminal to accommodate Piedmont's hub operation. The connector linking I-66 with the Dulles access road will be completed this fall. This connector will reduce travel time between Dulles and downtown Washington to 30 minutes. The BWI rail station has been in operation for 2 years, bringing the airport within 30 minutes of Union Station.

It is my hope that Congress will continue to support the concept of the Lewis policy as we did in 1981. The Dole proposal represents an attempt to update the regulations contained in the Lewis policy based on current data, not an attempt to change the effect of the policy.

Mr. President, I wish to address a second issue and that is the funding for Metro. As we know, Metro serves the greater metropolitan area and, indeed, it is integral to the life of this city and particularly those who are serving in the Federal Government.

The formula for funding this transportation system is predicated on contributions by the local communities. A special tax was levied on the citizens of northern Virginia, the District of Columbia, and Maryland, and they have in each instance lived up to that obligation to provide a stable and reliable funding mechanism and paid that added tax toward the construction.

Last year $285 million was appropriated for the Metro construction. This year the figure is $230 million on the Senate side and $275 million on the House side. Even the House figure of $275 million represents a $100 million cut below the level sought by Metro of $375 million.

This level was predicated on construction which has been planned for some time, and the delay that will inevitably result should the Senate figure be the one chosen by the conference would result in additions to the eventual total cost of the system and an added tax on the citizens of northern Virginia, the District of Columbia, and Maryland.

It would remain a system in doubt.

A 101-mile goal has been established and credibility has been attached to that goal by previous secretaries of Transportation, and I am hopeful that the present Secretary will in a more explicit manner affirm that 101-mile goal and that Congress will go on and build this system as it was planned.

But should this figure of $230 million remain, it is possible that there would be a delay of a year in the opening of the Red Line between Silver Spring and Wheaton in Maryland; delay in the opening of the Green Line from Anacostia to U Street in the District of 1½ years; and a delay of 6 months or more in the opening of the Orange Line between Ballston and Vienna in Virginia.

Mr. President, I recognize that time is short and my emotions are very strong on this, and I will defer to the managers. But I hope the managers will remember when they go to conference that the commitment in the form of taxation has been lived up to by the citizens, and I am hopeful that the Senate will accede to the House figure.

Mr. ANDREWS. The managers of the bill are well aware of that. We are faced with tough budgetary constraints, as the Senator knows. I do not have to assure the Senators from Virginia as well as the Senators from

Maryland that we will do everything we possibly can to get whatever reasonable funding for Metro we can get, given the budget constraints as passed by the Congress. That certainly is going to be our goal. We totally understand the views of the great Senators from Virignia as well as our esteemed colleagues from Maryland which they brought up.

Mr. WARNER. I respect that representation which I take as a commitment that you will fight for the House figure.

Mr. ANDREWS. I yield to the junior Senator from Virginia.

Mr. TRIBLE. Mr. President, I want to very briefly identify with the remarks of my distinguished senior colleague from Virginia and urge the conferees to be sensitive to the transportation requirements of this great metropolitan area as much as possible.

Mr. ANDREWS. I understand the views of the Senator.

Mr. MATHIAS. Mr. President, during markup of the DOT appropriations bill, the Appropriations Committee introduced report language in support of Secretary Dole's proposal to update the Washington National Airport policy. The proposal calls for a reduction in the current 16 million passenger ceiling to as low as 14.8 million annual passengers. I support these efforts, and applaud Secretary Dole for pursuing a reduction in the National Airport cap.

These efforts are totally consistent with the airport plan implemented by Secretary Lewis in 1981. That plan placed a ceiling of 16 million passengers annually at National. The 16 million ceiling was based upon a growth rate, forecasted by the FAA, which would have had 16 million passengers going through National during 1985. However, only 13.5 million passengers used National in 1982, and at that rate 16 million passengers will not pass through National's already congested terminal until 1990—a full 5 years later than originally predicted by the FAA. The air traffic controllers strike, combined with a dropoff in air traffic related to the depressed worldwide economy, were major contributors to National's passenger reduction. The airlines serving Washington are also making greater use of Dulles and the State of Maryland-owned and operated BWI. Passenger traffic is building at both Dulles and BWI, and there is every indication that this desirable trend will continue. Piedmont Airlines plans to establish a major hub operation at BWI, using 12 gates and a 125,000 square-foot terminal facility now being built by the State of Maryland.

To further encourage these developments at Dulles and BWI, we should make every effort to bring the existing passenger cap at Washington National Airport in line with recent trends. Secretary Dole's revision prudently serves to update the 1981 plan, using current statistics to better balance future use of facilities at National, Dulles, and BWI.

Secretary Dole's proposal will not affect a single flight now operating at National Airport. These efforts are prospective, and seek to direct future growth to Dulles and BWI. Secretary Dole's proposal allows the carriers valuable corporate leadtime to readjust their schedules. Further, these efforts insure a reasonable additional growth at National, while encouraging a more rational balance of traffic at the area's three airports.

Mr. SARBANES. Mr. President, in the last week I have had an opportunity to discuss with my distinguished colleagues, Senator ANDREWS and Senator CHILES, the chairman and ranking member of the Transportation Subcommittee of the Senate Appropriations Committee, the importance providing at least $275 million in funding for the Washington Metrorail system in fiscal year 1984, the amount provided in the transportation appropriations bill passed by the House earlier this year. This bill will shortly be going to conference and it is my hope that the conferees will agree to the House figure in light of the success of the Metrorail system and the importance of completing the full 101-mile Metro system. Today's Washington Post contains an article indicating that Metrorail ridership has reached an all-time record of 314,000 passengers a day.

Although the success of current Metro operations is striking, much remains to be done before the full system is completed. Congress indicated its strong support for constructing the 101-mile system in 1979 with passage of legislation, Public Law 96-184, authorizing a Federal commitment to completion of the program. This commitment recognized the importance of a first-class transit system in our Nation's Capital not only for those who live and work here but also for those who come to visit. As a symbol of our Nation, Washington should be an example to all who come to experience first hand the drama of our country's history. Metrorail has been designed for the citizens of all 50 States and indeed from around the world who come to visit Washington.

While recognizing the Federal commitment and contribution to Metro we should bear in mind the strong commitment of the local governments involved. Officials from the States of Maryland, Virginia, and their local jurisdictions, and the District of Columbia have worked in close cooperation to plan, develop, finance and operate this mass transit system. All of these jurisdictions have undertaken a substantial financial burden. They have made far-reaching decisions to transfer Federal funds available for highway construction to build Metrorail, and they have assumed the great bulk of the operating costs of the system. In August of 1982, Secretary of Transportation Drew Lewis certified that all three jurisdictions had provided "stable and reliable" revenue sources to cover their share of Metrorail's debt service and operating costs in accordance with Public Law 96-184. Secretary Lewis indicated at the time that this action by the 10 jurisdictions involved in Metro was "commendable and indicates a strong and continuing regional commitment to the Metro system."

In his testimony to the Senate Appropriations Committee's Subcommittee on Transportation on February 22, 1983, Richard S. Page, general manager of the Washington Metropolitan Area Transit Authority, stated that funding below the level of $275 million would result in major delays in Metrorail construction, including slippage in opening dates by at least 1 year for the Glenmont line in Montgomery County, the green line through downtown Washington, and the K route to Vienna, Va.

Nearly 20 years ago the Congress had the foresight to mandate an effective public transportation system for the Nation's Capital. By providing funding in fiscal year 1984 at the level of $275 million, Congress can insure that this vital transportation system mandated by Congress, authorized by Congress, planned and designed with the assent of Congress can be completed on the schedule worked out by all the local jurisdictions. Mr. President, I urge the Senate conferees on this bill to accede to the House position of $275 million for Metrorail when this matter is considered in the conference committee.

Mr. CHILES. Mr. President, Senator SARBANES had expressly talked to me about the funding we were forced to cut from the Washington Metro system. He expressed his opposition to our cuts and wanted a higher figure. I tried to explain to him the position that we found ourselves in and that we hoped to be able to be accommodating or helpful in the conference.

He again maintained very strongly that he thought we should accept the figures of the House. I told him we would see what we could do when we went to conference. He did want to present these views to the Members.

Mr. ANDREWS. Mr. President, might I join my colleague, the Senator from Florida, in pointing out that Senator SARBANES and Senator MATHIAS have spoken to both of us and have made an extremely strong case. I believe they understand the money constraints we were under and why the bill contains the figure it does. We will do everything we can in conference,

within the budget limitations, to address the desires of the Senators from Maryland.

AMENDMENT NO. 1495

(Purpose: To express the sense of the Congress that the States adopt the International Symbol of Access to identify vehicles which are allowed to park in spaces reserved for the disabled)

Mr. JEPSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa (Mr. JEPSEN), for himself, Mr. DURENBERGER, Mr. GORTON, Mr. ROTH, Mr. KENNEDY, Mr. STAFFORD, Mr. SASSER, Mr. HEINZ, Mr. LUGAR, Mr. PERCY, Mr. BOSCHWITZ, Mr. NUNN, Mr. HOLLINGS, Mr. GRASSLEY, Mr. DOLE, Mr. WEICKER, and Mr. ZORINSKY proposes an amendment numbered 1495.

Mr. ANDREWS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds that—

(1) in this Nation there exist millions of handicapped people with severe physical impairments including partial paralysis, limb amputation, chronic heart condition, emphysema, arthritis, rheumatism, and other debilitating conditions which greatly limit their personal mobility;

(2) these people reside in each of the several States and have need and reason to travel from one State to another for business and recreational purposes;

(3) each State maintains the right to establish and enforce its own code of regulations regarding the appropriate use of motor vehicles operating within its jurisdiction;

(4) within a given State handicapped individuals are oftentimes granted special parking privileges to help offset the limitations imposed by their physical impairment;

(5) these special parking privileges vary from State to State as do the methods and means of identifying vehicles used by disabled individuals, all of which serve to impede both the enforcement of special parking privileges and the handicapped individual's freedom to properly utilize such privileges;

(6) there are many efforts currently under way to help alleviate these problems through public awareness and administrative change as encouraged by concerned individuals and national associations directly involved in matters relating to the issue of special parking privileges for disabled individuals; and

(7) despite these efforts the fact remains that many States may need to give the matter legislative consideration to ensure a proper resolution of this issue, especially as it relates to law enforcement and placard responsibility.

(b) The Congress encourages each of the several States working through the National Governors Conference to—

(1) adopt the International Symbol of Access as the only recognized and adopted symbol to be used to identify vehicles carrying those citizens with acknowledged physical impairments;

(2) grant to vehicles displaying this symbol the special parking privileges which a State may provide; and

(3) permit the International Symbol of Access to appear either on a specialized license plate, or on a specialized placard placed in the vehicles so as to be clearly visible through the front windshield, or on both such places.

(c) It is the sense of the Congress that agreements of reciprocity relating to the special parking privileges granted handicapped individuals should be developed and entered into by and between the several States so as to—

(1) facilitate the free and unencumbered use between the several States, of the special parking privileges afforded those people with acknowledged handicapped conditions, without regard to the State of residence of the handicapped person utilizing such privilege;

(2) improve the ease of law enforcement in each State of its special parking privileges and to facilitate the handling of violators; and

(3) ensure that motor vehicles carrying individuals with acknowledged handicapped conditions be given fair and predictable treatment throughout the Nation.

(d) As used in this section the term "State" means the several States and the District of Columbia.

(e) The Secretary of Transportation shall provide a copy of this section to the Governor of each State and the Mayor of the District of Columbia.

Mr. JEPSEN. Mr. President, the amendment I am offering today to the transportation appropriations legislation would encourage States to establish a cooperative program under which valid handicapped parking stickers would be recognized by each State.

There is a national problem we find with this, and there is not reciprocation between States. It is inconceivable that that could happen, but it is happening. So I introduce this amendment.

As many of you might remember, I brought to your attention earlier this week a situation where a constituent of mine, while traveling in another State, was given a parking ticket for parking in a handicapped parking space. Even though this person displayed a valid Iowa handicapped parking sticker, the State chose not to recognize it. At first sight, many might believe that there was a misunderstanding. Unfortunately, there was not.

In fact, I have found out that this is a very common problem. Many States do not recognize the legitimate handicapped parking stickers issued by other States. This poses a problem for many handicapped individuals while traveling in other States either on vacation or business.

For this reason, I am offering an amendment to correct this problem. My amendment calls upon the States, through the National Governors' Association, to come up with a cooperative program to resolve this situation where out-of-State handicapped parking stickers are not recognized by every State. It is my hope that States will develop a program whereby valid handicapped parking stickers would be recognized by every State.

I feel my amendment is the best approach because it gives States flexibility to develop a program to meet their needs and the needs of handicapped individuals.

I do not believe this is a matter that can wait, and we must act as quickly as possible. Therefore, I urge my colleagues in the Senate to adopt this amendment. It is unfortunate that our handicapped and disabled individuals are presently subjected to unnecessary worry about parking while traveling from State to State.

I would like to thank the honorable and distinguished Senator from Minnesota (Mr. DURENBERGER) for his hard work on the handicapped parking problem. He is cosponsor, and he and I have worked together on many of these types of issues in the past. I will now yield to the distinguished Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I am extremely pleased that we are including in this legislation, a resolution I originally introduced as a sense of the Senate resolution to encourage a uniform method of identifying handicapped persons' automobiles and reciprocity between the States. Passage of this resolution will enable handicapped individuals to fully enjoy their right to travel among the States.

I want to commend my colleague, Mr. JEPSEN, for his efforts on behalf of the handicapped and elderly citizens of our country over the entire term of his public service. I would also like to recognize the continuing support of Mr. ANDREWS for ways in which to improve and enrich the lives of the handicapped. Let me also commend my other colleagues who have joined in this effort.

This resolution expresses the sense of Congress for the need for a uniform symbol of identification specifically the uniform symbol of access. It also encourages States to honor this uniform symbol and grant general reciprocity to persons displaying the symbol and properly using handicapped parking spaces.

Adoption of a uniform symbol of identification and general reciprocity would help alleviate the problem that many handicapped individuals are confronting when traveling from State to State—namely, failure by law enforcement officials to ascertain the various means and methods of identifying handicapped vehicles.

I ask unanimous consent that the record be kept open until the close of the business day for the addition of

cosponsors and statements to be included.

Mr. ANDREWS. Mr. President, let me respond to my colleagues from Iowa and Minnesota, as a cosponsor of this proposal, that we are glad to accept the amendment, and take it to conference, and try to keep it in. It is the most expeditious way of getting it through, and I commend them for bringing it to the attention of the Senate.

● Mr. KENNEDY. Mr. President. I am pleased to join my colleagues in the Senate as cosponsor of this important amendment expressing the sense of Congress regarding the need for a Uniform Symbol of Access. This Uniform Symbol should enable all citizens who are handicapped to use the special parking privileges afforded them would they travel to other jurisdictions. It would assist law enforcement officials across the country in correctly identifying vehicles used by disabled people and would preclude the uninternational issuance of parking citations to handicapped individuals when varied symbol are not recognized.

It is important to insure that our strongest efforts be directed toward alleviating any barriers that may interfere with America's handicapped citizens using these special parking privileges. I urge the American public to consider the needs of all disabled citizens by not abusing designated handicapped parking spaces and I encourage States to develop uniform policies.

I commend the distinguished Senator from Minnesota, Mr. DURENBURGER, for his initiative in this area, and I urge the Senate to adopt this amendment.●

Mr. JEPSEN. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa (Mr. JEPSEN).

The amendment (No. 1495) was agreed to.

Mr. ANDREWS. Mr. President, I yield to the distinguished Senator from Connecticut.

MIANUS BRIDGE AMENDMENT

Mr. WEICKER. Mr. President, I thank my distinguished colleague, Senator ANDREWS, and my distinguished colleague, Senator CHILES, for their consideration and implementation of the amendment which, in effect, provides moneys for the State of Connecticut for the repair or replacement of the Mianus Bridge.

The amendment provides money for the towns of Port Chester, N.Y., and Greewich, Conn., for the burdens which the recent disaster has placed upon both their local roads and law enforcement agencies.

This particular situation, which resulted in several deaths, is now resulting in a monumental traffic mess which is only going to be resolved by complete cooperation among the local and State governments and the Federal Government.

What this amendment provides will go a long way toward putting I-95, the length of the eastern seaboard, I might add, back into shape.

I thank the ranking member and the chairman of the subcommittee for taking into consideration these very special circumstances as they apply to this disaster.

I hope that we could get on with the business of putting I-95 back in order, at least that section of it which goes through the State of Connecticut.

Mr. CHILES. Mr. President, I say to the distinguished Senator from Connecticut that I think he should be congratulated for bringing this issue up as quickly as he did. We all have had occasions to have these kinds of disasters. We had a bridge go out at St. Petersburg Skyway at one time and the committee responded very quickly to the help that we needed in that. I think this is an area which we have to look for, especially when it connects interstate systems, as does the provision that the Senator from Connecticut is talking about. I think this is something that the committee was happy to try to accommodate him on.

Mr. ANDREWS. Mr. President. I think this points out the dedication and the ability of the senior Senator from Connecticut to move as rapidly as he did at a time of emergency in his State. Of course, those of us who represent other States realize there is a national impact in this. The amendment of the Senator from Connecticut is extremely important for all the people who travel through that area.

AMENDMENT NO. 1496

Mr. WALLOP. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) proposes an amendment numbered 1496.

Mr. WALLOP. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 1, strike the figure $718,000,000 and insert in lieu thereof $716,400,000

Mr. WALLOP. Mr. President, my amendment removes $1.6 million from the Amtrak subsidy which Amtrak claims they will save by rerouting their current San Francisco Zephyr service from southern Wyoming to northern Colorado.

It is my personal belief that Amtrak exists for the purpose to provide public rail transportation needs in this country and not to subsidize tourism. Amtrak believes they can attract more tourist by moving the route to Colorado.

If the tourists can sustain it, fine, well, and good, but the Federal Government should not. This amendment will make Amtrak fiscally responsible for their rerouting decision.

Mr. ANDREWS. Mr. President, we can accept the amendment. The Senator makes an excellent point. We can accept the amendment at this point and work it out in conference. I think the Senator made his point with Amtrak.

Mr. WALLOP. I thank the chairman. It is gracious of him and I appreciate it.

AMTRAK

Mr. SIMPSON. Mr. President, I want to thank my fine friend and colleague, MALCOLM WALLOP, for his comments and his effectiveness on this issue. He has followed it closely and has done yeoman work.

I would like to take this opportunity to share with you today some concerns I have with Amtrak, and a review of the treatment which the State of Wyoming suffered in the decision to remove all of the passenger rail service from our State.

The California Zephyr route, which runs through the southern tier of Wyoming, will be moved today to the route of the Denver and Rio Grande Railroad, eliminating all passenger rail service from Wyoming. I am deeply disappointed in the procedures which Amtrak employed in making their decision to remove passenger service, and I hope the Congress will make an effort to prevent other States from suffering the same shabby treatment the next time Amtrak decides to change a route.

Section 101 of the Rail Passenger Service Act, which outlines congressional findings and declaration of purpose, states:

That the traveler in America should, to the maximum extent feasible, have freedom to choose the mode of travel most convenient to his needs; that to achieve these goals requires the designation of a basic national rail passenger system and the establishment of a rail passenger corporation for the purpose of providing modern, efficient, intracity rail passenger service.

Amtrak was a prime method of transportation in Wyoming, utilized by many citizens of my State, providing a safe mode of transportation when all highway and the limited commercial airline availability were not functional due to often hazardous winter weather conditions. Additionally, people in Wyoming used the Amtrak route to travel to our veterans' hospital located in Cheyenne, Wyo. The major reason given for this move, as stated by Amtrak board president, Graham Claytor, in a letter to the Wyoming congressional delegation on March 8, 1983, was that:

The principal advantage of this new routing will affort (the passenger to view) . . . the exceptional scenery along the Denver and Rio Grande route . . . our data base does not allow us to calculate scenic benefits with any precision, but to my mind this will be the single greatest factor in improving revenues associated with this service. By operating this train through some of America's most spectacular mountain scenery I am convinced that we will improve the marketability of the Zephyr . . .

Fifty-two thousand passengers traveled the Wyoming stretch of the California Zephyr during 1982, accounting for $3,750,000 in revenue in fiscal year 1983 dollars. Yet, Amtrak tells us wisely that it is their belief that they can do a better tourist business running the train through the Rio Grande route—a route which is already served by the Denver and Rio Grande Railroad. Amtrak studies indicate that they will be able to generate more long-haul passengers traveling through that region. However, I do not believe that a 7 to 10-percent increase in revenue—if those figures are accurate—can possibly offset the heavy public inconvenience that elimination of all passenger rail service in Wyoming will have.

The decision to eliminate service in Wyoming has been made. I am not here to seek special funding for the Wyoming stretch on Amtrak, or to be vindictive. I am here, rather, to urge Congress to save other States, cities, and American citizens from the cavalier treatment which was so casually ladled out to Wyoming.

The Wyoming congressional delegation first learned of this proposed change at the end of February, not from officials at Amtrak, but rather from concerned citizens in Wyoming. Amtrak did not officially inform any member of our congressional delegation, or the Governor of the State of Wyoming that they would be recommending this change until March 10—6 days before the decision was to be made. They then informed us at that time that if the proposed change were agreed to by their board of directors that the route would be eliminated by April 24, 1983. A mud slide along the Denver and Rio Grande route, along with two court injunctions, has prevented them from stopping service until this time.

Amtrak is not even required by law to present our State a 120-, 90-, or even a 60-day notice period of a possible service discontinuation—because this change is not considered to be major but merely a rerouting of service between major population centers on existing routes, and therefore not significant enough to warrant even one public hearing in the State or in Washington, D.C.

Mr. Claytor did bring to the attention of Governor Herschler and the Wyoming congressional delegation, provision 403(b) of the Amtrak regulations which is a State cost-sharing provision—but we did not have the opportunity to even consider this option until after March 1, 1983, when the Wyoming State Legislature had only 4 days of its session left at that time. The legislature is not now scheduled to meet again in full session until January 1984. If Amtrak could have sensitively informed Wyoming of their intentions, the legislature might well have been able to assure interim funding in order to comply with regulation 403(b) and it could possibly have shared with Amtrak the cost of passenger rail service in Wyoming.

I do recognize that Amtrak is attempting to follow their congressional mandate to cut operating losses while performing the basic mission of providing nationwide rail passenger service—and that they too are reacting to budget pressures as all Federal agencies are. Indeed, I have endorsed previous cuts in the Amtrak Federal budget, and have been among those who have sought an Amtrak which would completely be free of Federal funding. It is in this spirit that I support my trusted colleague, the senior Senator from Wyoming, in his amendment to delete $1.6 million in subsidies to Amtrak—the amount of funds they state will be saved by pulling service from Wyoming.

However, as long as any Federal dollars are going to the subsidy of Amtrak, I would expect them to employ concern and consideration in any changes they might make—no matter how minor they may believe the consequence to be.

Amtrak has mistreated the citizens and elected officials of the State of Wyoming, and must become more sensitive at every instance to affected areas. They were not willing to even make a minimal effort to do so in Wyoming. I believe that total elimination of all passenger rail service from the State of Wyoming is indeed surely of major consequence, and that it deserves to be treated clearly as such. Any other judgment than that is purely shallow and specious. It really is a hell of a way to run a railroad.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming (Mr. WALLOP).

Mr. MOYNIHAN. Mr. President, there are two matters which I would like to bring to the attention of the Senate. I think they might be resolved by a colloquy with my distinguished friend, the subcommittee chairman, the Senator from North Dakota.

The first has to do with language which appears in the committee report—which directs or urges the Secretary of Transportation to take every prudent action to encourage New York-Washington type operations from Dulles and Baltimore International Airports.

I understand the general objective is that Washington National Airport should be a connecting airport for long distance travel and Dulles and Baltimore Airports are to be brought into the Eastern corridor. I would think this is the opposite reason for which we built Dulles. I wonder if I can ask my friend from North Dakota to explain the purpose of this language.

Mr. ANDREWS. Mr. President, I would be more than happy to explain that language. That language is there for a very specific purpose, Mr. President.

If my colleague, the Senator from New York, Mr. President, would look at the bill language itself, we put additional funds in the bill to speed up access to Dulles, so that we could use that airport more. We also called for the innovation of helicopter service from downtown Washington, or whatever mix could be had, to both BWI and Dulles. We then called for the introduction of commuter flights between Dulles and BWI and New York, thinking that those individuals in the area who live a little closer to BWI or a little closer to Dulles than they do to Washington National would begin to use commuters flights operating out of those two airports.

We are trying, Mr. President, to get a balanced usage of the three airports in the Washington Metropolitan area.

Mr. President, if my good friend, the senior Senator from New York, would read through our language again, he will find nowhere did we say we should cut down the amount of commuter flights from Washington National.

We did stress the point that Washington National, because of the number of connecting flights, has a very important role to play in medium- and long-range flight patterns. If you are coming in to get a connection, you almost have to come into Washington National to get a connection out. If you are coming from Roanoke, Va., or Charleston, W. Va., and you want to go to Albany, N.Y., you have to come through Washington because those planes, unfortunately, do not emanate from Dulles, or, oftentimes, from BWI.

But we figured because of the objective to lower the rapid increase, not lower the number of people using National, to slow down the increase, if we could encourage the beginning of commuter operations from these other two airports to share the load, it could be, Mr. President, to the great advantage of the constituents of the senior Senator from New York.

Mr. MOYNIHAN. Mr. President, I am much reassured by this. Do I hear my friend from North Dakota to say that there is nothing in this report language and nothing in the statute that calls for a reduction in the

number of commuter flights that go into Washington National Airport from the New York City region?

Mr. ANDREWS. Mr. President, as usual, the senior Senator from New York is explicitly accurate.

Mr. MOYNIHAN. I thank the Senator very much. His answer is yes.

Mr. ANDREWS. That is correct.

Mr. MOYNIHAN. So I understand the committee's purposes is to provide better access into the Washington region from Dulles and Baltimore to encourage the use of those airports. I think it cannot be denied that Dulles, which is almost surely the finest Federal building constructed in the 20th century, is under used. Does the Senator think that there are people who fly to New Jersey, New York, Connecticut, who live near Dulles and if there were a shuttle—it seems the only place you can get to from Dulles is New Delhi, although there are stops in Madrid occasionally—it would be used for regional areas flights? Is that his purpose?

Mr. ANDREWS. Mr. President, that is right. The Senator from New York, as usual, makes eminently good sense. Our subcommittee also added 14 new buses solely for the operation of people getting to Dulles Airport. We hope that when the road construction is completed travelers will find that they can get to Dulles in a dependable timeframe. Today, Mr. President, as the Senator from New York knows, you do not know whether it is going to take you 40 minutes or 2 hours and 40 minutes to get to Dulles. So Dulles is underutilized. We not only point out the need to use these airports more, but we put in the wherewithal to do that.

Mr. MOYNIHAN. Having gotten into a bus to take me to Dulles in an hour, I have found that the bus to the plane may take another hour.

The purpose is not to limit the shuttle flights into National, but to make shuttle flights available from Baltimore and Dulles.

Mr. ANDREWS. Absolutely.

Mr. MOYNIHAN. That seems a wise and characteristically forward-looking action.

Mr. ANDREWS. Mr. President, I thank the Senator from New York not only for his understanding but for his support.

Mr. MOYNIHAN. I wonder if I may bring up another question, Mr. President, a more difficult one. I understand that at the last minute—when things happen at the first minute and what the first minute is, I am not sure—we learned overnight that there has been a reduction in the mass transit capital grants, both the formula and the discretionary moneys available. I wonder if the Senator from North Dakota, the distinguished chairman, could tell me what these reductions are, and what is their purpose?

Mr. ANDREWS. May I point out to the distinguished Senator from New York, who serves as I do on the Budget Committee, that it is necessary to get this bill under the budget as it came through the Budget Committee. The Senator from New York knows I attempted to increase the funding for this category and the Senator from New York supported me. Tragically, not enough of our colleagues saw the light and supported it so we have a little lower budget level than otherwise.

Let me assure my colleague, the senior Senator from New York, that we have in this bill more than $400 million above the President's budget estimate for these items.

Mr. MOYNIHAN. It is $400 million above the President's request and $200 million below what we had hoped for.

Mr. ANDREWS. That is true. This is not a last-minute action, I assure the Senator from New York. This action was taken in our subcommittee on Tuesday and quite widely publicized.

Mr. MOYNIHAN. I hesitate to say what is first minute and what is last minute.

Mr. ANDREWS. The movement of the bill is being made now because we do carry a $21 million amendment sponsored by the Senator from Connecticut that is an emergency-type amendment for I-95, so the leadership agreed to bring this bill up provided we could handle it expeditiously and get it through conference and begin helping those people who have to use I-95.

Mr. MOYNIHAN. Mr. President, it was my purpose to introduce an amendment to restore the $200 million. I see the distinguished majority leader on the floor. I had hoped and intended to have a rollcall vote on this matter and speak to it at some length, since we are not going home this weekend. Do I take it that the majority leader feels that the press of business is such that to ask for a vote on this matter at this time would require him to take down the bill?

Mr. ANDREWS. Mr. President, I can respond by saying what the majority leader told me—that we had a half-hour window when we brought the bill up at 11 o'clock. We have been waiting for the Senator from New York for a while to protect his rights, and he has those rights. The majority leader told us if we took more than a half hour, and we already have, we would take down this bill and move back to the DOD authorization bill. That would mean we would not get to conference in a timely manner.

Mr. MOYNIHAN. He is known to be a stern taskmaster.

Mr. ANDREWS. He is a very stern taskmaster, Mr. President.

Mr. MOYNIHAN. Mr. President, in view of what the French call the force majeure and with the thought that the next time there is a breakdown in the IRT subway, we might get a $21 million emergency grant to fix it—I might say I was delayed by the fact that Governor O'Neil from Connecticut has been before the Committee on Environment and Public Works, speaking to just this kind of question; I shall not press the issue. I shall reserve the issue.

Could I ask my friend, the Senator from North Dakota, is it not the case that so long as we are within the budget authority provided for the function, it remains the possibility that the appropriation bill can provide a larger amount than is available at this time?

Mr. ANDREWS. Mr. President, let me assure my colleague that David Stockman does not set my guidelines nearly as firmly as the Senate Budget Committee does. It is my understanding that we have a pretty good chance of getting this bill signed if it comes within the guidelines of the Budget Committee on which the senior Senator from New York also serves. That is going to be our goal.

Mr. MOYNIHAN. Does David Stockman provide the Senator's economic forecasts?

Mr. ANDREWS. The Senator from New York and I have sat through any number of hearings with economists. If you lay 1,000 of them end to end, they are not going to reach any conclusion. They are somewhat like some of our Ambassadors. They never reach any conclusions, but they are eminently wonderful and understanding people.

Mr. MOYNIHAN. With those assurances, Mr. President, for which I am grateful and particularly reassured about the shuttle matters and with at least good hope about the future of mass transit capital formation, I thank my friend, the distinguished chairman of the subcommittee. I yield the floor.

The PRESIDING OFFICER. Is there further debate on the bill?

Mrs. KASSEBAUM. Mr. President, I should like to address a question to the Senator from North Dakota regarding, in this piece of legislation, the creation of a commission to study the effect of airline deregulation. I think there is $500,000 that has been specified to establish this commission. My distinguished colleague and I have discussed this. It is my understanding that, since hearings have been held by the Commerce Committee and the Aviation Subcommittees of both the House and the Senate on this very issue, such a commission would probably not be necessary. I realize the thrust of those efforts and the focus that the chairman has wanted to make regarding that, but I would certainly like an understanding from him that this indeed is not going to be money

that will be necessary for the creation of a special commission.

Mr. ANDREWS. Mr. President, I assure the Senator from Kansas that this is an item that is of a great deal of importance to the Senator from West Virginia (Mr. BYRD), the Senator from Florida (Mr. CHILES), both Senators from Mississippi, and the Senator from Kansas. The Senator from Kansas, who chairs the legislative subcommittee having jurisdiction, is making considerable progress. We put this in to hedge our bets and we will, of course, be taking a look at it and reviewing it in conference. I certainly agree with the statement that the Senator from Kansas has made.

Mrs. KASSEBAUM. Mr. President, I accept the assurances the Senator from North Dakota has given.

AMENDMENT NO. 1497

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SPECTER) for himself, Mr. LAUTENBERG, and Mr. HEINZ, proposes an amendment numberd 1497.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the end of the bill the following general provision:

"SEC. . The Senate intends that the Benjamin Franklin Bridge connecting Philadelphia, Pa., and Camden, N.J., be given priority consideration by the Secretary of Transportation.".

Mr. SPECTER. Mr. President, in the interest of brevity, since time is short and the majority leader has indicated his interest in proceeding to the Department of Defense authorization bill, let me simply say that this amendment expresses the intent of the Senate to give priority consideration to the Benjamin Franklin Bridge which is a major structure connecting Pennsylvania and New Jersey, which carries an average daily traffic in the neighborhood of some 70,000 vehicles and earlier this year was found to be in a very serious state of disrepair.

In order to protect against the kind of tragedy which was present on I-95 we have coordinated with the Delaware River Port Authority and the Governors of Delaware and New Jersey, to expedite its processing. This amendment would be very helpful to promote this matter.

I have discussed it with the distinguished chairman of the Transportation Committee, and I believe this can be worked out by agreement.

Mr. ANDREWS. Mr. President, the Senator from Pennsylvania is absolutely correct. The Senator contacted me before we moved into the Appropriations Committee, and we said we could work out some accommodations. We have discussed it on the floor and we fully intend to accommodate the Senator from Pennsylvania. We accept the amendment.

Mr. SPECTER. I thank the distinguished chairman for his assistance.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BYRD. Mr. President, I have a question I would like to ask the chairman of the subcommittee, who has always been most understanding of my needs insofar as West Virginia is concerned.

Will the placement of this language in the bill in any way work to the disadvantage of this Senator who is interested in the Weirton-Steubenville Bridge which is going forward by virtue of the fact that the Secretary of Transportation has allocated funds from the discretionary bridge replacement moneys? The Senator who is chairing the subcommittee and the ranking member have both been very supportive of that bridge. I know, however, that bill language is more important than report language. I just want to make sure that this amendment language does not in any way, or will not in any way take precedence somehow over the Weirton-Steubenville Bridge.

Mr. ANDREWS. Mr. President, might I point out to the distinguished Senator from West Virginia, the minority leader, that in my view in no way does it take precedence over the bridge that has already reached the attention of the Secretary of Transportation due to the great work and long-term efforts of the Senator from West Virginia. What it does in my mind is focus the attention of the Secretary on this bridge—and the very legitimate cause that the distinguished Senator from Pennsylvania pointed out—to take a look at it among a whole host of bridges around the country. It does in fact spotlight this bridge but not to the detriment of bridges that we have called to their attention that are already on a priority basis.

Mr. BYRD. I am satisfied by the answer that has been given to me by Senator ANDREWS. I know him well enough and have in the past experienced his important support. He does not have any hesitancy to speak his mind in dealing with the executive branch, and nobody is his master. He has been as straightforward with people in the administration as any Senator can be. His questions of them are tough. And with the assurance he has given I am not going to ask for a rollcall on this amendment.

Mr. ANDREWS. I appreciate the attitude, Mr. President, of the Senator from West Virginia.

Mr. BRADLEY. Mr. President, I ask unanimous consent that I be added as a cosponsor to the Specter amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 1497) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, there is a matter in the transportation appropriations bill, which, although it involves a very small amount of money relative to what we normally discuss in this body, is quite important to the citizens of my State as well as other people in the mid-Atlantic region. I rise before the Senate today to briefly discuss the importance of the section in this bill regarding Coast Guard research and development funding and to be certain I understand what the chairman of the Subcommittee on Transportation has in his bill.

Mr. President, when the transportation appropriations bill was in the House of Representatives, my colleague from Delaware, Representative CARPER, was able to get an amendment to the original $22,000,000 administration request for Coast Guard research and development, to add $500,000 for the development of a sealed electronic ocean dumping surveillance system, a so-called black box technology. Ultimately, the House funded this section of the bill at $23,500,000.

The Senate Appropriations Committee in its deliberations has dropped the Coast Guard R&D function back to the original $22,000,000. However, it has also left language in the bill requiring that $500,000 of the appropriation be used to develop the black box. This technology will be used to assist the Coast Guard in conducting enforcement and surveillance activities under the Ocean Dumping Act (title I of the Marine Protection, Research and Sanctuaries Act).

For some years, Mr. President, the Environmental Protection Agency has continued to allow the practice of ocean dumping in coastal waters off of Delaware, Maryland, Virginia, New Jersey, and New York. I will not argue the merits of this practice, Mr. President, expect to say that I vehemently oppose it, and I believe that at least with regard to sewage sludge, I continue to believe the Congress meant to

ban ocean dumping in the 1977 amendments to the Ocean Dumping Act. The bulk of the dumping on the east coast has been up near New York City, at the so-called 12-mile site. Now, however, the Environmental Protection Agency is considering a permanent designation of an ocean dump site directly off the coast of Delaware, at the so-called 106-mile site.

Although I continue to fight the designation of the 106-mile site and the practice of ocean dumping generally, it is crucial that as long as the practice exists, that we enforce strict adherence to the dumping regulations and that we have adequate surveillance of dumping operations to be sure the waste-laden barge actually reaches the dump site out at sea. To date, the Coast Guard has accomplished surveillance of the dumping ships by putting personnel on ships, ship riders, to monitor the activities. Yet because of the cost of personnel and their need to be doing other important tasks, such as surveillance of drug trafficking in coastal waters, they in practice only monitor less than 1 percent of the ships. This is far too low a percentage to know whether the dumping regulations are being faithfully carried out or whether the dumpers are in fact dumping their loads far short of their destination.

Mr. President, the black box technology would allow each vessel to be tracked, for the location to be continually monitored and for a record to be kept telling when and where the dumping apparatus has been activated. This technology would have the added benefit, Mr. President, of monitoring all ships, 100 percent, at just slightly greater cost than it now takes to monitor 10 percent with ship riders.

I want to make it clear, Mr. President, that I am not offering an amendment to this bill at this time to increase the Coast Guard R&D function because I am relying on the committee's judgment that the $22 million figure is sufficient to fund not only the $500,000 research effort on the black box technology but also the other important aspects of the Coast Guard R&D function, I would say to the chairman of the subcommittee, that should the conference on this bill determine that $22 million is not sufficient to accomplish all tasks, I would expect the Senate conferees to accede to the level of the House, rather than cut the money set aside for the electronic surveillance technology. Otherwise, I will offer an amendment to the conference report.

Mr. President, I yield the floor.

Mr. NICKLES. Mr. President; if the chairman will yield, it is my understanding that the House report of this fiscal year Transportation appropriations bill, H.R. 3329, includes language dealing with the Ardmore, Okla., air traffic control tower.

Does the Senate bill nullify or strike that language?

Mr. ANDREWS. No, the Senate version of H.R. 3329 does not affect the House report language referring to that tower.

Mr. NICKLES. Has funding for the tower's operation noted in that report language been deleted?

Mr. ANDREWS. No, it has not.

Mr. NICKLES. Does the Senate bill take issue with the House language?

Mr. ANDREWS. No, it does not.

Mr. NICKLES. Is this a conferencable item?

Mr. ANDREWS. Yes, it is an item that is conferencable.

Mr. NICKLES. I urge my colleagues who will be members of the conference committee to adopt this language which will enable the community to be served by air traffic control on a more regular basis.

I thank the Senator.

COAST GUARD CHILD ABUSE PROGRAM

● Mr. INOUYE. Mr. President, I was extremely pleased that our Appropriations Committee recommended that $500,000 be appropriated for the Coast Guard in fiscal year 1984 in order to continue their efforts to reduce the incidence of child and spouse abuse among its personnel. This is a most unfortunate problem within some families and it is very much in our national interest that we vigorously develop programs to address the underlying causes and provide necessary services. Accordingly, I was pleased by our committee's action. However, I was recently informed that the attorneys within the Department have indicated that it is their interpretation of our bill that since we specifically addressed this matter both in this bill and in last years', that we intended that $1 million be expended in fiscal year 1984. Although I have no doubt that the funds could be well spent, I do not feel that in this year of very tight budgetary constraints that it would be appropriate for us to call for a 100-percent increase in the program's budget. It was my understanding that our committee's intent was for the Coast Guard to continue its present efforts under this program and to allocate essentially the same level of funding as was expended last year—that is, a total of $500,000.

Mr. CHILES. Senator INOUYE, that is also my understanding of the provisions of our bill. The Coast Guard has done an excellent job during the past year and we are optimistic that they will continue to give this initiative a high priority.

Mr. INOUYE. I very much appreciate your clarification, Senator CHILES. It was also my understanding that in recommending that 15 personnel positions be made available to this program, that we intended that the Coast Guard would use its considered judgment in phasing these in. That is, that we were not mandating that exactly 15 positions be assigned this year, instead, we were establishing a reasonable goal for the Coast Guard.

Mr. CHILES. That is also my understanding Senator INOUYE.

Mr. INOUYE. I very much appreciate your clarification and very strong personal support for this most important program.●

Mr. BRADLEY. Mr. President, I would like to ask the chairman of the committee if the section of the report that refers to the availability of New York-Washington type shuttle operations out of Dulles refers only to operations that are from New York, N.Y., to Washington?

Mr. ANDREWS. Mr. President, that is not the way it was intended by the committee.

Let me point out to the Senator from New Jersey that when we referred to New York, we were talking about the New York area. So, of course, it would include the airport in the New York area that is located in New Jersey.

Mr. BRADLEY. But that means in no way to affect existing service?

Mr. ANDREWS. In no way does it affect existing service, as we pointed out earlier in the debate on it. All we are trying to do is enhance the usage of service from other airports in the Washington metropolitan area to the New York metropolitan area so that all of the growing load does not come simply on Washington National.

Mr. BRADLEY. I thank the Senator for this clarification.

INCREASING COAST GUARD DRUG-INTERDICTION BUDGET

Mr. BIDEN. Mr. President, I had intended to offer an amendment to increase the Coast Guard drug-interdiction budget. As a result of my discussion with the managers of the bill, who indicate they will take this issue up in the Senate-House conference, I will withdraw my amendment.

A vital element in a Federal drug-control strategy is the interdiction of narcotics entering this country. The Coast Guard represents the main defense this Nation has to intercept drugs. I believe the Coast Guard is extremely undermanned and underequipped to deal with the level of sophistication organized drug traffickers have at their disposal. When traffickers are willing to beach entire vessels and abandon expensive aircraft as "operating expenses" in carrying out their business, or when we hear stories about overused and antiquated Coast Guard cutters blowing their engines while chasing drug-trafficking vessels, I can only imagine the frustration that Coast Guard personnel must feel.

One piece of equipment that has been used effectively by the Coast Guard in drug-interdiction efforts is the Aireye radar system. Aireye has

proven effective in monitoring large areas of the ocean and will greatly increase the Coast Guard's effectiveness by permitting aircraft equipped with Aireye to cover in 8 minutes an area which now requires a 2-hour patrol.

It was my intent to provide sufficient funds so the Coast Guard could procure five additional Aireye systems. Currently, in the Southeastern United States, only 1 of the 12 patrolling aircraft has Aireye equipment. Because of the success of the Coast Guard's major interdiction effort in south Florida last year, more and more drugs are being diverted to other areas along the east and gulf coasts. From the standpoint of cost-effective process for collecting intelligence information and monitoring the movement of potential drug trafficking vessels, the investment in these five additional Aireye systems is essential.

In addition, the $80 million would have secured two additional C-130's and sideways-looking radar systems. I believe this equipment would go a long way in improving the airborne surveillance capability of the Coast Guard, which is an essential element of our overall drug-control strategy.

Recognizing the leadership role the minority manager, Senator LAWTON CHILES, has played in upgrading our Federal drug-enforcement and interdiction programs, I am satisfied he will work hard in the conference and in the future to secure this surveillance equipment for the Coast Guard.

As the ranking member of the Judiciary Committee, I have been working with my colleagues to improve our Federal drug-control strategy. It is imperative that this effort is backed by sufficient resources and carried out in a coordinated manner. To date, I believe we still have a long way to go in the areas of both coordination and resources if we are seriously going to mount a workable and effective Federal drug-control program.

● Mr. REIGLE. Mr. President, will the distinguished chairman of the Appropriations Subcommittee on Transportation and related agencies; yield for a minute.

The bill that the Senate is considering now H.R. 3329, the Department of Transportation and related agencies appropriation bill, 1984 contains funding for a project key to the transportation needs of the Detroit metropolitan area. The downtown Detroit people mover received a letter of intent from UMTA in 1982 for the construction of this rail project. Contracts have been signed and project schedules and budgets have been established. The report language contained in the House approved bill earmarks $50 million for southeast Michigan transit projects. Unfortunately, the Senate Appropriations Committee reduced this earmarking by $20 million or over 40 percent.

I would like to point out that the Detroit metropolitan area was the only area to experience such a drastic funding reduction, in fact, a number of metropolitan areas actually experienced an increase in funding in the Senate over levels approved by the House. The $20-million funding cut adopted by the Senate committee would both delay project completion and increase project costs. It has been estimated that project cost would be increased by over $10 million for each year its completion is delayed. Delays of Federal funding at critical construction phases, both increase ultimate project costs and delays the provision of service to the public taxpayer. This is a vital project and it must go forward.

I would also like to remind my colleagues that this cost effective project has been estimated to create over 3,500 jobs in a metropolitan area sorely in need of new employment opportunities.

I hope the distinguished Senator from North Dakota will work in conference to restore funds to the Detroit area transit projects as close as possible to the House level.

Mr. LEVIN. Mr. President, the subcommittee's report on H.R. 3329, the fiscal year 1984 appropriations bill for the Department of Transportation, recommends a $20-million reduction in funding from the level approved by the House for Detroit's people mover project. This project has been in the making for over 11 years. As a member of the Detroit City Council, I was actively involved in the initial planning discussions concerning the people mover.

In 1982—after years of work by those responsible for the project—Gary Krause, general manager of the Southeastern Michigan Transportation Authority (SEMTA), received a letter of intent from Arthur J. Teele, Jr., Administrator of the Urban Mass Transportation Administration (UMTA), which allowed construction to begin on the people mover this year.

In order for the project to be completed on schedule, Mr. Teele recommended that over $45 million be appropriated during fiscal year 1983. However, the fiscal year 1983 appropriations bill included only $30.5 million for construction of the system. In order to recoup the moneys lost in 1983 and keep the project on schedule, it is essential that SEMTA receive the level of funding recommended by the House for the people mover project.

The project will contribute to the revitalization of Detroit's downtown business district by creating jobs and encouraging private investment in the area.

Mr. President, I am pleased that the chairman of the subcommittee will work in conference for a funding figure closer to that recommended by the House.

Mr. ANDREWS. I appreciate the concerns of the Senators from Michigan regarding funding for Detroit, and I will work in conference for an acceptable level.●

● Mr. SASSER. Mr. President, I rise today to comment briefly on H.R. 3329, the transportation appropriations bill for fiscal year 1984.

Mr. President, our Nation's infrastructure is in a sad state of disrepair. All across this country, our roads, bridges, and highways are collapsing.

It seems ironic, Mr. President, that while we have perhaps the most intricate network of transportation in the world, it is also one that is rapidly becoming devoid of safety and efficiency. There is no greater illustration of this fact than the situation with our Nation's bridges.

Mr. President, it is unclear exactly how far we have come in addressing this Nation's bridge problem. In 1967 the Silver Bridge in Ohio collapsed, killing 46 people. In 1981 the General Accounting Office estimated that there were approximately 200,000 deficient or obsolete bridges nationwide. In less than 18 months time, some 50,000 additional bridges were also cited as dangerous.

Mr. President, time has not been on the side of piecemeal bridge repair. The recent incident at Interstate 95 in Greenwich, Conn. is a graphic case in point.

Last year, in the Surface Transportation Assistance Act of 1982, Congress recognized the need for increased funding for the rehabilitation and repair of our Nation's bridges. The $9 billion authorized for the bridge program through 1987 does not even begin to place a dent in the estimated $47 billion needed to repair our bridges.

Mr. President, we need to step up the repair of our bridges. We need to reassess the allocation of funding for our bridges before, not after, they have collapsed.

Mr. President, I recently introduced legislation, S. 1575, along with my distinguished colleagues Mr. BYRD, Mr. DODD, Mr. METZENBAUM, Mr. STENNIS, Mr. RANDOLPH, and Mr. SPECTER. I introduced this same legislation during the 97th Congress. S. 1575 essentially requires a more rigorous scrutiny of bridges in accordance with the national bridge inspection standard. S. 1575 requires the Secretary of Transportation to allocate funding, in the first instance, to those bridges most in need of repair. I dare say, Mr. President, that had Congress acted favorably on this legislation last year, the tragedy this year at Greenwich may never have occurred.

I wonder whether at this point in my remarks I might ask a few questions of the distinguished ranking minority member of the Appropriations Sub-

committee on Transportation, Senator CHILES:

"Would the Senator agree with me that the bridge situation is an urgent national problem?"

Mr. CHILES. Yes. Dilapidation and disrepair of bridges is neither a local nor regional problem. The possibility of a bridge collapsing could occur at any place, at any time.

Mr. SASSER. Would the Senator agree with me that a reassessment of both the inspection standards and allocation of bridge funding is in order?

Mr. CHILES. Yes, absolutely. I think it's the best way to identify the problem and get about alleviating it.

Mr. SASSER. I thank the distinguished ranking minority member of the Appropriations Subcommittee on Transportation, and I appreciate the concern and consideration which he has shown me. I ask that a table be included in the RECORD at this point which lists the number of deficient bridges in each State.

The table follow:

TABLE 4A.—LIST OF DEFICIENT BRIDGES BY STATE ON FEDERAL-AID SYSTEM

	Number of bridges in inventory	Structurally deficient	Functionally obsolete	Number of deficient bridges
Alabama	7,376	967	1,581	2,548
Alaska	549	36	14	50
Arizona	4,269	55	84	139
Arkansas	5,683	367	1,380	1,747
California	14,544	434	1,816	2,250
Colorado	3,422	198	228	426
Connecticut	2,504	136	637	773
Delaware	441	38	14	52
District of Columbia	223	48	2	50
Florida	5,447	158	1,300	1,458
Georgia	7,764	286	2,334	2,620
Hawaii	644	89	44	133
Idaho	1,651	215	72	287
Illinois	10,188	1,419	667	2,086
Indiana	6,521	1,016	2,036	3,052
Iowa	6,818	658	1,505	2,163
Kansas	10,316	1,016	2,632	3,648
Kentucky	4,825	468	975	1,443
Louisiana	5,611	610	1,211	1,821
Maine	1,231	100	90	190
Maryland	2,511	197	382	579
Massachuetts	3,311	714	64	778
Michigan	5,592	607	340	947
Minnesota	4,998	487	580	1,067
Mississippi	7,175	2,188	1,873	4,061
Missouri	8,156	518	2,683	3,203
Montana	2,310	154	826	980
Nebraska	5,132	384	1,177	1,561
Nevada	769	8	91	99
New Hampshire	1,198	145	179	324
New Jersey	3,233	661	186	847
New Mexico	2,848	131	138	269
New York	8,835	3,321	454	3,775
North Carolina	4,986	650	1,874	2,524
North Dakota	1,660	219	277	496
Ohio	12,082	979	308	1,287
Oklahoma	7,347	431	617	1,048
Oregon	3,699	286	260	546
Pennsylvania	10,662	1,692	619	2,311
Rhode Island	570	56	20	76
South Carolina	4,101	209	512	721
South Dakota	2,793	154	204	358
Tennessee	8,108	1,376	1,695	3,071
Texas	24,834	776	4,150	4,926
Utah	1,401	44	33	77
Vermont	1,269	108	350	458
Virginia	6,705	696	621	1,317
Washington	3,923	158	678	836
West Virginia	3,312	896	396	1,292
Wisconsin	5,128	1,380	1,024	2,404
Wyoming	1,923	48	127	175
Puerto Rico	726	83	213	296
Total	261,324	28,070	41,575	69,645

Mr. PROXMIRE. Mr. President, I will vote against this Department of Transportation appropriation bill because it contains a whopping $700 million in operating subsidies for local transportation systems. At a time when the Federal Government is running the biggest deficits in the history of this country by far, and when those deficits spell high interest rates and constitute the single most serious obstacle to a healthy and sustainable recovery I simply can not support a bill that contains any Federal funding for operating subsidies. In my judgment the Federal Government can not even afford to buy the capital equipment for local transportation. But it does. And it certainly can not afford to subsidize millions of local travelers throughout our country. In addition to providing their capital and equipment, why in the world should a Wisconsin taxpayer living, say in Oshkosh, subsidize a subway user in New York or Washington when the Wisconsin taxpayer may never, ever visit either city, or if he does may never use the local transportation?

If a city needs a transportation system, let the people who live in that city at least pay whatever is necessary to keep that system operating, after the Federal Government has contributed so much to building the system and buying the equipment for it.

Sure, this bill is below the budget level and the President's request. But it is still too high, at least $700 million too high.

THE U.S. RAILWAY ASSOCIATION

Mr. DOLE. Mr. President, the Senator from Kansas simply wants to make a few brief comments about the U.S. Railway Association. It is a quasi-governmental body whose useful life has long expired, in my opinion. While I am not at this time prepared to offer an amendment to delete funding altogether, my intention would be to do just that in the not too distant future, and I want there to be no mistake about my feelings.

Congress established USRA in 1973 as a temporary agency in order to develop a plan for rail service in the Northeast in the wake of several railroad bankrupticies. Most of the legitimate work of the USRA has been completed. The valuation cases they handled have been for the most part settled. The Secretary of Transportation is proceeding with plans to sell Conrail to the private sector, and that will completely obviate the need for Federal oversight by the USRA. At present, two statutory functions for USRA remain: First, determining the value of the Alaska Railroad—that report is due by the end of September; and second, issuing a final profitability determination of Conrail. The first such determination was issued on June 1, 1983; the final is expected to be completed by December.

To expend further tax dollars on the USRA would be a gross breach of the public trust. It will be my intention to make sure we do not continue to fund them through the Treasury upon completion by USRA of their current statutory functions. The public has had it with the kind of Government waste and inefficiency which the USRA embodies. When we fund nonprofit associations like the USRA, Federal pay caps do not apply. As a result, we have a situation like the current one at USRA: Many of the staff members earn more than $70,000, with liberal vacation benefits and nobody to answer to except us once or twice a year.

Some might say that $2.9 million is not a lot of money. The Senator from Kansas would say it is time we started paying some attention to matters such as this. It has been too easy around here to spend money irresponsibly and then instruct the Finance Committee to pay for the program. The public is tired of the alternatives: Borrowing or monetizing the debt, as is this Senator.

So Mr. President, the USRA is an idea whose time has come and gone. It was created as a temporary body, and yet it swelled to more than 200 staff members at one point. While they have few statutory functions remaining, 40 staff members remain. The functions of those 40 can easily be absorbed by existing personnel in the Congress or the Department of Transportation. While we are at it, let us see if we cannot put the genie back in the bottle with regard to other agencies that were sold to the Congress as temporary institutions.

Mr. BRADLEY. Mr. President, I am pleased that the Senate Transportation appropriations bill provides funds to revive rail transportation between Philadelphia and Atlantic City.

While there are many hurdles which must still be overcome before this rail connection is a reality, the Senate has taken an important step in boosting economic development in the southern portion of New Jersey.

I am particularly pleased that the Senate has made clear that this rail link is not to be used for a so-called Gamblers' Express but rather to develop real commuter service for Atlantic City and Philadelphia. This means stops clustered around the Camden area and around Atlantic City.

Many fears had been raised about high speed express trains tearing through suburban communities. The committee report directs that the funds be used to develop a commuter line.

The growth in Camden, Gloucester, and Atlantic Counties has been re-

markable. I believe this economic development must be made compatible with the protection of the environmentally sensitive Pinelands and consistent with local development plans. Commuter rail service especially in Camden and Gloucester Counties is an important element in that effort.

I am grateful to the Appropriations Committee—and particularly the chairman of the Transportation Subcommittee, Senator ANDREWS, and the ranking minority member, Senator CHILES, for their assistance.

Mr. DOMENICI. Mr. President, I would like to commend my distinguished colleagues, Senators ANDREWS and CHILES, and the members of the Senate Appropriations Committee for reporting a Department of Transportation appropriation bill that is identical to the subcommittee's 302(b) allocation.

I support the Transportation appropriation bill, as reported by the committee.

H.R. 3329 provides $10.9 billion in budget authority and $9.7 billion in outlays for fiscal year 1984 for the important activities of the Department of Transportation, the Civil Aeronautics Board, the National Transportation Safety Board, the Interstate Commerce Commission, and several other smaller transportation-related agencies.

With outlays from prior-year budget authority taken into account, the Transportation Subcommittee exactly meets its 302(b) crosswalk allocation, as adopted by the committee on Thursday, July 14, 1983.

I urge my colleagues to support H.R. 3329, as reported by the subcommittee. Subcommittee Chairman ANDREWS and Senator CHILES made a concerted effort to trim spending below the House-passed level. H.R. 3329 is below the President's request by $0.1 billion in budget authority and above his request by $0.4 billion in outlays.

With respect to the credit budget, the Senate-reported bill provides $35 million in new direct loan obligations and $35 million in new primary loan guarantee commitments. The total for direct loan obligations is identical to the first budget resolution assumption for this bill. The total for primary loan guarantee commitments is $126 million less than that assumed in the first budget resolution.

Mr. President, I ask unanimous consent that two tables showing the relationship of the reported bill, together with possible later requirements, to the congressional spending and credit budgets and the President's budget requests be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TRANSPORTATION SUBCOMMITTEE

[In billions of dollars]

	Fiscal year 1984	
	Budget authority	Outlays
SPENDING TOTALS		
Outlays from prior-year budget authority and other actions completed		[1] 15.7
H.R. 3329, as reported by the Senate subcommittee	10.9	9.7
Possible later requirements		
Total for Transportation Subcommittee	10.9	25.4
First budget resolution 302(b) allocation	10.9	25.4
House-passed level	11.3	25.6
President's request	10.9	25.0
Total compared to:		
First budget resolution 302(b) allocation		
House-passed level	−.4	−.2
President's request	−.1	+.4

[1] This figure includes the fiscal year 1984 outlays associated with Public Law 98–8, the Emergency Jobs Appropriation Act, and with the Senate-passed fiscal year 1983 supplemental appropriation bill (H.R. 3069).

Note: Totals may not add due to rounding.

TRANSPORTATION SUBCOMMITTEE

[In billions of dollars]

	Fiscal year 1984	
	New direct loan obligations	New loan guarantee commitments
CREDIT TOTALS		
H.R. 3329, as reported by Senate committee (total for Transportation Subcommittee)	[1]	[1]
First budget resolution assumptions	[1]	[1]
House-passed	[1]	[1]
President's request	[1]	[1]
Subcommittee total compared to:	[1]	[1]
First budget resolution assumptions		−.1
House-passed		
President's request	+[1]	+[1]

[1] Less than $50,000,000.

Mr. D'AMATO. Mr. President, I rise today to extend my congratulations to the members of the Appropriations Committee, and especially to its distinguished chairman, Mr. HATFIELD, and to Senator ANDREWS, chairman of the Transportation Appropriations Subcommittee for the fine job they have done in reporting this bill to the floor. I also appreciate the efforts of subcommittee staff, particularly Chip Hardin and Pat Tusaie.

Considering the tremendous pressures to report a bill which will improve the declining condition of transportation systems and their capacity to meet existing and future needs, as well as satisfy the competing requirements of many diverse interests, and still come up with a proposal that is able to accommodate the administration's oft-stated goal of fiscal restraint, is no easy job.

At this time, I would like to briefly mention some of the major issues addressed by this legislation:

We took an important step with the Surface Transportation Assistance Act. For the first time, a section 9 formula block grant program has been established. This program funded by general revenues, will distribute funds on the basis of predictable, service related bus and rail factors.

As Mr. ANDREWS so eloquently noted yesterday in the full committee markup, efforts to keep this bill within the budget have necessitated some sacrifices on the part of all Members. I am concerned however about the $100 million reduction—below the level appropriated by the House—in the section 9 formula grant program for transit capital and operating assistance. I can certainly understand the need to limit our expenditures in this bill, but I would point out that due to the construction of the distribution formula used for these funds this action will have a disproportionate impact upon the smaller transit authorities. While this reduced funding amounts to reduced formula 9 funds to New York City of $70,617,000, a reduction of approximately 19 percent under the levels authorized by the Surface Transportation Assistance Act, it represents reduction of approximately 21 percent to Albany and even larger percentage reductions in other smaller cities throughout the country. I will not attempt to amend this aspect of the bill in light of our need to produce a bill that can be signed by the President. I appreciate the comments of Chairman ANDREWS during the subcommittee markup that we will make efforts to raise the funding for section 9 programs during the conference on this bill.

Next Mr. President, I endorse the distribution of mass transit gas tax discretionary funds in the bill. As a chief proponent of mass transit, I have maintained that we must accommodate rail modernization, new starts and bus needs within the mass transit trust funds in a fair and reasonable manner. The distribution included in the bill, which approximates the split suggested by the American Public Transit Association, is an equitable one. I commend the committee members and thank APTA for its invaluable assistance.

Mr. President, I also commend the committee's action in this bill to prohibit the FAA to close or consolidate facilities pending a detailed report by the FAA and congressional hearings if necessary. This provision will allow for careful consideration of the merits of any consolidation or closure plan and for resolution of the questions that the GAO has raised concerning the cost effectiveness of the proposed automated flight service stations.

Mr. President, the significance of this bill to the States and their cities and towns is demonstrated by my State of New York which is so dependent upon a successful system of air-

ports, railroads, highways, and mass transit facilities. This bill will mean millions of dollars for New York, and for other States in gas tax funds for transit capital expenses, including rail modification, bus purchases, and facilities and new starts. In addition, each of the States will benefit from the $2.38 million being appropriated for the section 9 formula grant program which will provide funds for both capital and operating assistance.

In addition, the bill provides a limitation on obligations for airport development and planning grants of $800,000,000. This is $100 million more than the budget request. In addition the committee has directed the FAA that priority be given to 33 airports nationwide including Buffalo Greater International Airport and MacArthur Airport in New York.

The bill also provides funding to continue improvements in our passenger rail system, including $100 million for continuation of the Northeast corridor improvement program and the Westside connection project in New York City, a rail project in New York City, a rail project that is expected to increase Amtrak ridership by 254,000 persons annually and to increase its revenues by $10.5 million annually.

In conclusion, Mr. President, I believe we now have a bill which is the product of careful, reasonable, and intelligent consideration of the transportation funding needs of the different regions of these United States, and I urge my colleagues in the Senate to join me in voting to approve H.R. 3329, as reported by the Appropriations Committee.

Mr. DODD. Mr. President, I wish to express my support for H.R. 3329, the fiscal year 1984 transportation appropriations bill. This bill provides a reasonable and balanced allocation of limited Federal resources in response to the varied transportation needs throughout the Nation.

I want to note, in particular, my strong support for a provision added yesterday by the full committee at the request of my colleague from Connecticut (Senator WEICKER) which earmarks funding for the repair of the Mianus Bridge on I-95 in the State of Connecticut. This does not represent any additional funding, but rather directs that funds be made available from the highway trust fund's emergency relief program for repair costs in excess of the State's insurance coverage. Additionally, from this same fund, the committee earmarks $1 million to be shared by the towns of Greenwich, Conn. and Port Chester, N.Y. to offset some of the additional costs borne by these communities resulting from this disaster.

As my colleagues are well aware, a 100-foot northbound span of the Mianus River Bridge collapsed in the early hours of June 28, 1983, resulting in the loss of three lives and severe injuries to three others. Beyond these personal tragedies, this situation has disrupted the lives of residents and commerce along the entire Northeast corridor. The 90,000 cars and trucks which traveled this bridge daily are being diverted onto unsuitable, alternative routes, creating safety problems for motorists and local residents and significant economic injury to businesses in the area and the region.

I believe that it is totally appropriate for the Congress to act expeditiously in this matter so as to extend some hope that the Federal Government recognizes the regional and national consequences of this tragedy. While action today will not rebuild this bridge overnight, it is a signal to the involved residents, commuters, and businesses that we will not allow this situation to become mired in technical disputes. All those involved and affected are prepared to bear a share of the burden created by this situation and share in restoring the area's transportation network, so long as there is some assurance that there is progress with respect to the ultimate restoration of the bridge.

This action extends that hope and a very tangible commitment of resources. Once again, I commend and join with Senator WEICKER in this effort and urge my colleagues on the upcoming conference committee on the bill to include this provision in the final version of this legislation.

Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 3329, a bill providing funding for mass transit, highways, aviation, and other programs for fiscal year 1984.

The mass transit levels of funding in this bill are considerably higher than those contained in the President's budget. In addition, H.R. 3329 contains no cap on mass transit operating assistance. Nonetheless, there are reductions in both discretionary and formula grants from the levels contained in the House bill. I support the House levels and I would urge that the conferees on this bill increase mass transit support.

Mr. President, the administration's budget would have drastically curtailed mass transit operating assistance, causing increases in fares across the country. In New Jersey, there will be a 9-percent increase in bus and rail fares even without cuts in Federal support. Had the President prevailed, those increases would have been much higher. This bill helps us hold the line on transit fare increases.

H.R. 3329 also includes the reinstitution of rail services between Atlantic City and Philadelphia. Amtrak and the State of New Jersey will be able to resume service under conditions set out in the House bill. At the request of Senator BRADLEY and myself, language mandating the provision of commuter service by the State was included in the committee report. The State will also have to raise 40 percent of the project funds from non-Federal sources. The State must also provide for safety needs and environmental concerns in the context of its operating plan. By including this provision, the bill provides New Jersey with an opportunity to develop the core rail line in a rapidly growing part of the State.

Finally, Mr. President, this bill also contains $6 million in ear-marked funds for interstate transfer grants for transit, the same level as the House. The obligation ceiling on highway construction, 4R and other highway trust fund programs including bridge repair is set at $12.6 billion. One hundred million is provided for the Northeast Corridor improvement project to enhance service on Amtrak lines through New Jersey and other Northeastern States.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS), are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Nebraska (Mr. EXON), the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Hawaii (Mr. MATSUNAGA), are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. DIXON), would vote "yea."

The PRESIDING OFFICER (Mr. KASTEN). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 86, nays 5, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—86

Abdnor	Grassley	Murkowski
Andrews	Hart	Nickles
Baker	Hatch	Nunn
Baucus	Hatfield	Packwood
Bentsen	Hawkins	Pell
Biden	Hecht	Pressler
Bingaman	Heflin	Pryor
Boren	Heinz	Quayle
Boschwitz	Huddleston	Randolph
Bradley	Inouye	Riegle
Bumpers	Jackson	Roth
Burdick	Jepsen	Rudman
Byrd	Johnston	Sarbanes
Chafee	Kassebaum	Sasser
Chiles	Kasten	Simpson
Cochran	Kennedy	Specter
Cohen	Lautenberg	Stafford
D'Amato	Laxalt	Stennis
Danforth	Leahy	Stevens
DeConcini	Levin	Thurmond
Denton	Long	Tower
Dodd	Lugar	Trible
Dole	Mathias	Tsongas
Domenici	Mattingly	Wallop
Durenberger	McClure	Warner
Eagleton	Melcher	Weicker
Ford	Metzenbaum	Wilson
Garn	Mitchell	Zorinsky
Gorton	Moynihan	

NAYS—5

Armstrong	Helms	Proxmire
East	Humphrey	

NOT VOTING—9

Cranston	Glenn	Matsunaga
Dixon	Goldwater	Percy
Exon	Hollings	Symms

So the bill (H.R. 3329), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ANDREWS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ANDREWS. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. KASTEN) appointed Mr. ANDREWS, Mr. COCHRAN, Mr. ABDNOR, Mr. KASTEN, Mr. D'AMATO, Mr. HATFIELD, Mr. CHILES, Mr. STENNIS, and Mr. EAGLETON conferees on the part of the Senate.

Mr. BYRD. Mr. President, while we have several Senators on the floor, especially from my side of the aisle, I want personally to congratulate the Senator who has managed this bill, Mr. ANDREWS, and the Senator on this side, Mr. CHILES.

Mr. BAKER. Mr. President, while I have the floor, and if the minority leader will permit me to do so——

Mr. BYRD. The Senator does not have the floor.

Mr. BAKER. The minority leader has the floor, and if he will permit me to do so——

Mr. BYRD. I yield.

Mr. BAKER. I, too, would like to thank the distinguished managers of the appropriations bill just passed, Senators ANDREWS and CHILES, the subcommittee chairman and ranking minority member.

I thank as well the chairman of the committee, Senator HATFIELD, and the ranking minority member for permitting us to reach now the fifth of the regular appropriations bills and to pass them on this 15th day of July. That is good progress indeed on the appropriations process.

We have now passed seven appropriations bills, which include, of course, the emergency supplemental, and the 1983 supplemental, and that is good work, and I wish to express my gratitude to them.

There is another appropriations bill that has been reported out, and I hope we can get to it sometime early next week. That would be the military construction bill. We will not try to reach that today or tomorrow, but some day next week, early next week, I hope. I will take up with the minority leader the possibility of scheduling that during the course of our deliberations.

Mr. BYRD. Mr. President, the majority leader has and the Senate has done a good job in connection with moving the appropriations bills along.

I want to thank the House leadership at this point for the record for moving the appropriations bills over here in a timely fashion, and I thank my colleagues for allowing us to waive both the 3-day rule and the 1-day rule on the appropriations bill that was just passed.

SENATE SCHEDULE

OMNIBUS DEFENSE AUTHORIZATIONS, 1984

Mr. BYRD. Mr. President, I want the majority leader to have the opportunity to tell the Senate about the program for tomorrow. He has said he is going to be here and he has said there are going to be votes. I have asked my secretary for the minority to personally contact all Democratic Senators and tell them that the majority leader means business in this instance, and this is no joke. He has his name on the line, his neck is out there, and I have seen the time when I was in the same situation when I had to do it or else they never would believe me.

So I want the majority leader to state what the program will be for the rest of today and tomorrow.

Mr. BAKER. I thank the minority leader. He is absolutely right. There is an order for the Senate to convene at 10 a.m. tomorrow and we will convene at 10 a.m. It is the anticipation of the leadership that we will have a full day extending until about 5 p.m. on Saturday, about 6 p.m. today, about 5 tomorrow.

I fully expect a number of rollcall votes on Saturday. I can assure Senators, I believe I can assure Senators, there will be an ample quorum here, so they should not assume it is going to be a formality, that you are not going to miss much.

I regret this is necessary, but I believe it is necessary, and I am acting on that good faith belief.

I have no illusions about our finishing tomorrow. I am not even sure we can finish Monday, but I am convinced if we are to discharge our obligation to do the work of the Senate between now and August 5 it is essential that we continue to debate this bill and act on this bill and the amendments that are offered to it on tomorrow. So we will be in today until about 6 p.m. We will be in tomorrow until about 5 p.m. We will come in Monday at noon and resume consideration of this bill, if necessary, and I expect it will be.

Mr. BYRD. I thank the majority leader. I did not want to impose on him unduly, but I thought it would be well if some of our colleagues who are here heard exactly what he had to say about tomorrow.

Mr. BAKER. I thank the minority leader.

Mr. TOWER. Mr. President, what is the pending business?

OMNIBUS DEFENSE AUTHORIZATIONS, 1984

The PRESIDING OFFICER. The question recurs on the pending business, which the clerk will report.

The acting assistant legislative clerk read as follows:

A bill (S. 675) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes.

AMENDMENT NO. 1494

(Purpose: To terminate the MX program in favor of a system of small, single-warhead ICBMs)

The PRESIDING OFFICER. The pending question is the Moynihan amendment No. 1494.

Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Texas.

Mr. TOWER. Mr. President, the pending business is the Moynihan amendment, which is very straightforward. It would delete the funds for the MX or delete the authorization for the MX. I gave my assurance to the Senator yesterday that I would not move to table until there had been a reasonable time for debate on the issue. We expected that time to be around 12 o'clock, or shortly thereafter, but it is already 12:30 and we have not even begun. So I reiterate that assurance to the Senator from New York and suggest that if he has any more to

say on the matter that we will be glad to listen.

Mr. MOYNIHAN. Mr. President, I thank the distinguished and gracious Senator from Texas, who is managing this legislation. I have told him earlier, as I have told the majority leader, Mr. President, that at this point I would withdraw my amendment an amendment cosponsored by Senators BRADLEY, LAUTENBERG, HOLLINGS, and GLENN. I do so now for the following reasons, about which the Senate should be quite clear.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order. Will the Senate be in order?

The amendment is withdrawn.

The Senator from New York is recognized.

Mr. MOYNIHAN. I thank the distinguished presiding officer.

I have been in discussion with Senators on both sides of the aisle who have expressed interest in this matter of the MX missile. It is their judgment, which I share, that there are certain other amendments relating to the subject which ought properly to be voted on first. Mine comes at a certain point in a logical cascade, and that time will come.

I see my friend from Colorado has risen and I am happy to yield to him for a question.

Mr. HART. Mr. President, I merely wish to state, both to the Senator from New York as well as to the distinguished floor manager, that, to whatever degree some misunderstanding results from this, the fault is mine and probably was out of the failure to communicate with the Senator from New York by the opponents of the specific item here as to how best to proceed.

The Senator from New York was proceeding in totally good faith and I understand he did have an arrangement with the Senator from Texas to proceed on this issue. There will be a vote on a simple striking amendment against the MX at some, I think, reasonable time. It is the feeling of those who are opposed to the missile that that is probably the simplest way to approach it.

The Senator from New York has a serious amendment that ought to be, and will be, seriously discussed, both now and later. The amendment, which I support, transfers funds from the MX account to the proposed new mobile single warhead system. That amendment will be taken up at an appropriate time and voted on. The floor manager has the assurance of that.

I merely make the statement so that the floor managers and the Senator from Texas understand that any misunderstanding as a result is not the fault of the Senator from New York.

Mr. MOYNIHAN. Does the Senator from Texas rise for a question?

Mr. TOWER. No. The Senator from New York has the floor. I was seeking the floor in my own right. The Senator has the floor.

Mr. MOYNIHAN. May I recapitulate briefly the essence of the remarks I made last night at a late hour, when not every Member of this body was able to be present.

I had sent to the desk an amendment which had the simple purpose of deleting all the funds provided in the authorization bill for the deployment of the MX missile and expressing the judgment of the Congress that efforts instead be directed toward development and deployment of the missile we have come to speak of as the Midgetman, a relatively small and mobile single-warhead ICBM.

The total sums involved are not large in the context of defense budgets, and only a fraction would likely be transferred immediately to this new role. But a large decision would be made that we would not deploy the MX missile in the existing, unimproved silos of the Minuteman force.

Why forego deployment of the MX, Mr. President? Because deployment of the MX in such a configuration would mean that, for the first time in the history of U.S. strategic doctrine, we shall have deployed a nuclear weapon in a first-strike mode. And not just any such weapon, but the most powerful weapon we have ever produced in its effectiveness, range, and accuracy—and a MIRV'd weapon system, moreover, consisting in all of 1,000 warheads.

Now, Mr. President, an objection might be offered by well-informed and well-meaning persons who would say, "Is it not true that the existing Minuteman, being nonvulnerable to a first strike, are of necessity themselves first-strike weapons?" The answer to that likely query is very simple: It is that while yes, indeed, the Minutemen have become such a force, they were not originally deployed as such a force. At the time they were deployed, there was no Soviet capacity to destroy them in a preemptive strike. To destroy some randomly, yes, that was always possible. But to eliminate this land-based portion of the triad, no, that was for many years not within the capacities of the Soviet forces.

But we deal here with a constantly changing technology and a constantly improving technology. In consequence, by an almost perceptible creep, the accuracy and the power of Soviet missiles and, once MIRV'd, the number of warheads, become such that the previously invulnerable Minuteman fields, initially deployed in a manner consistent with the concept of deterrence which has been at the heart of American strategic doctrine from the beginning of the strategic era—Dr. Wolstetter's second strike, you might say—suddenly has been lost to us. Nothing we had done made the vulnerability disappear. It was something the Soviets did.

They improved the probable accuracy of their warheads from a 200-meter range of error to 100 meters, then to 75, to 50, to 25—and suddenly a moderately hardened missile, previously inaccessible, previously well dispersed, became vulnerable.

The decision to develop the MX was not made in the specific context of that vulnerability, but it had no more than been made than that vulnerability became evident. And so it has been part of the dynamic of our discussion since 1972.

I make the point, however, Mr. President, that when it was agreed that the Air Force should have a new missile, it was specified by Congress in the most explicit terms that it would be a missile able to be deployed in a deterrent mode, which is to say a mode capable of being used in retaliation, that is as a second strike.

In the course of deliberation on the defense authorization for fiscal year 1976 and fiscal year 1977, the Senate determined, and the House in conference agreed—I quote the committee report before us:

> That studies will not be conducted for a fixed base ICBM because of its questionable survivability.

I regret the administration has chosen to call this missile the Peacekeeper. May I suggest that is a vulgarism out of Hollwood, a not very good joke about people who shoot down other people in saloons. One imagines a frontier sheriff in a "B" movie who has nicknamed his shotgun "Peacekeeper." It is all right for the Hollywood type, but it is not appropriate to the single most serious subject, the safety of the world in the nuclear age. But Peacekeeper is what the administration has chosen to call this system.

The MX Peacekeeper program history, according to the committee report:

> In 1972 after extensive analysis of the existing U.S. intercontinental ballistic missile force and ways to maintain the deterrent value of that force for the future, the Strategic Air Command articulated a requirement for a new ICBM. It was determined that this new missile should have these qualities:
>
> It should preserve the synergistic features of the strategic triad and the unique characteristics of the ICBM; provide improved counterforce capability; and be based in a survivable manner.

Synergistic, Mr. President, is, of course, a term for that circumstance wherein one aspect of a system improves the performance of another aspect of the system. It is a nice term when you refer to the triad when each leg supports and makes the whole stable. Absent one, there is instability.

In 1972, the Air Force prescribed, and the Congress agreed, that the land-based leg of the strategic triad should be based "in a survivable manner."

In a very short order, the need to proceed with some speed in this matter was accentuated as the Air Force and the intelligence community determined that the Minuteman silos had become vulnerable, that they could no longer be described as deployed in a survivable manner—that, as I said earlier, through no act or omission by the U.S. Government they had become first-strike weapons. Inadequate first-strike weapons, moreover, not threatening any significant portion of the Soviet ICBM land-based forces, but weapons that you could either use or would stand to lose.

Mr. President, last night I described what struck me as high folly, as irony beyond my capacity as an ironist adequately to describe: Having left the Minuteman field and wandered 11 years in the desert looking for a home, a survivable mode in which to deploy this new missile, a mode in which it could be deployed "in a survivable manner," where do we find ourselves? What did we end up doing? We went back to the very holes in the ground which, because they had become vulnerable, we decided we had to replace with a new missile that would not be vulnerable to a first strike.

Mr. President, there is a leakage of reality from people who cannot remember after 11 years what they started out to do.

A fanatic has been described as a person who doubles his efforts when he has forgotten his purpose.

Mr. President, I suggest that we are doubling our efforts now that we have forgotten our purpose. We wanted to deploy a missile that would restore the triad's stability and synergistic quality, a survivable ICBM. And what have we done? We propose to put it in precisely those very silos targeted with dedicated Soviet warheads, targeted against each. The Soviets would therefore be irresponsible as military planners to think we had done anything but make a profound change in our strategic doctrine and had decided to deploy our newest, most powerful missile in a first-strike mode, whereupon the world would be set on 30 minutes' notice of destruction, 30 minutes to determine whether a launch had occurred and decide whether a launch on the basis of that warning should take place in response.

What a foolish thing. What a reckless thing. Were it not for my high personal regard for my colleagues with whom I disagree, I would say what a wicked thing.

Mr. President, let me now turn to the arguments presented in the report of the Scowcroft Commission, which in part have led to the present proposal before us.

As I said last night to the Senate, though I do not wish to make an assertion beyond the available evidence, it is nonetheless my clear impression, and that of other Members of this Chamber who know the persons involved—I myself know a number of the persons involved, as I served in the Cabinets of two Presidents with them—the members of the Scowcroft Commission do not want to put this MX into unimproved Minuteman silos. They want us to move to a mobile basing system. The MX in an earlier configuration was to be, in one sense, mobile. Yet, it is just too big to be mobile. One would have had to dig up half of Nevada and Utah to make it mobile. Predictably enough—and I may say I predicted this, Mr. President, I predicted it would turn out thus—it turned out there were two Senators from Nevada and two from Utah, and they would object.

I would make the same prediction respecting all 50 States, and I would add the Governor of Puerto Rico. It is in the nature of representation not to be very agreeable about these things.

It turned out the mobility was not possible for the MX; 195,000 pounds is a lot to lug around in a racetrack, or a "dash-for-shelter," or this mode or that one.

The Scowcroft Commission said, "Go to a smaller missile," a missile which it calculated to be about 15 tons, or 30,000 pounds, about one-sixth the weight of the MX missile, a manageable weight, a weight that you can handle in many different transportation modes and therefore make mobile.

As I said last night, Mr. President, the Soviet Union has made the same decision. they have made exactly the same decision. They have been developing what we refer to as the PL-5—the name indicating the rocket range at Plesetsk—a yet smaller missile, more manifestly mobile.

Mr. President, I said last night that the 1950's had been the era of the development of the great land-based ICBM's. In all truth, the technology was not that radical. What was the Jupiter, what was the Titan? They were V-2 rockets with an atomic bomb on the tip. World War II technology, true, but nothing radically different from that which the Germans and the Americans respectively had developed.

But, Mr. President, as I also said last night, the practice of armies to fight the last war, of organizations to remember their last occasion of stress, is endemic to human organizations. It is hard to break out into new ideas. But it is obvious that technological facts have driven both the Soviet leadership and the American leadership to a principle of mobility, a principle that has as one of its ironies the fact that, if you want stability in the relations between the two nations, you may need more missiles and fewer warheads.

But the missiles must be invulnerable to a preemptive strike, for stability to be the result. The world must not be on 30 minutes' notice of a possible war—possibly a final war.

Curiously, the same thing happened with respect to airplanes. I reveal no secret, Mr. President, save to those who forbid themselves the pleasure of reading Aviation Weekly, when I say the Soviets have developed a new supersonic intercontinental airplane. It is called the Blackjack. That is one in a series of names agreed to in NATO. There was the Bear and the Backfire, now the Blackjack. Blackjact sounds a lot more formidable than Backfire, which sounded like it did not work. Nevertheless, the Blackjack, when you see a picture of it, plus or minus a few yards, plus or minus a few details, is a picture of the B-1 we have agreed to build.

I voted for it. We are going to build that B-1. Yet we should know the Soviets are building exactly the same plane. One needs only take a look at it to know this.

I was once in the Navy and spent hours trying to recognize the profiles of Japanese fighter planes and bombers and never had any success whatsoever. I think the profile of the new B-1 and the Soviet Blackjack would fool most people in this Chamber, even the best aircraft spotters. Why do they look alike? Because physics is the same in the Soviet Union as it is in the United States and it is especially the same in high altitudes above either.

Why do they have mobile missiles? For the same reason we want to go to mobile missiles. Why, then, have we retained this anachronism of the MX and, worse yet, placed it in the Minuteman silos, thus inviting the final mistake of mankind—that our purposes be misread by the Soviet high command and a preemptive war take place because they thought we might be planning a preemptive war?

Imagine the levels of tension in an international crisis, in addition to the prospect of armies crossing borders or other kinds of actions. The Soviets have to face the prospect that, at any moment, the President of the United States could launch a strike which, in 30 minutes, would destroy their ICBM force—imagine the level of tension.

Think of the White House, think of the situation room—do not think. You will not have to think if we let this machine out of this building. Are we cutting any out? No, we are building the B-1 bomber. Let us put the money into the Midgetman, let us go forward with the D-5.

Let me be clear, Mr. President: Advocates on this side are not uniform in their views, but I speak to mine. I have

voted for every Armed Forces bill, authorization or appropriations, since I came to the Senate. I will not vote for this one if it retains the MX in the Minuteman silo.

I voted yesterday for Senator LEVIN's proposal to increase spending for conventional combat readiness. I voted for the B-1, have done, will do.

Why does the Scowcroft Commission propose to us that we build this MX, which, on the face of it, seems such a mistake?

Well, they say two things. First, they make an argument not wholly worthy of them, that this is a test of American will, that we have to show them we can do it.

I think a test of American will would be the capacity to stick to a proven strategy of deterrence—a strategy whose validity has been borne out against the expectations of every nuclear scientist of whom I am aware who worked on the Manhattan project. These men expected that by now there would have been an exchange of aggressive nuclear weapons between the major powers. Very few people know how deeply pessimistic the original atomic scientists were about the prospects for peace, why the Bulletin of the Atomic Scientists was first published with an emblem of a clock face on the masthead and the clock reading 5 minutes to midnight. That is what they thought; it was ticking away and that is what they thought would happen.

It has not happened and it has not happened because the United States has developed a strategy which we could not, in the first years, persuade the Soviets about—deterrence—which, even so, has deterred.

Now we do find that the Soviets are moving in the same direction as we. At just that moment, we reverse our direction and move in the direction from which they are departing.

Mr. President, I shall not invoke references to national will. I do not like that. I recognize meaning to the words but, in making this kind of decision, national intelligence, national prudence, and national experience are more to be summoned than simply will. It takes no will for us to vote this amount of money or that amount of money. We do not have to carry it anywhere; we do not have to take it out onto a range or into trenches and do anything ourselves with it. We are working in an air-conditioned building and we can continue to do so.

There was another statement the Scowcroft Commission made which I found important and persuasive and which in my view does have to be dealt with. That says that we must have a credible capability for controlled, prompt, limited attack on hard targets ourselves. That is right. That is what deterrence is about.

This capability casts a shadow over Soviet risk-taking at every level of confrontation with the West. Consequently, in the interests of the Alliance as a whole we cannot safely permit a situation to continue wherein the Soviets have the capability promptly to destroy a range of hardened military targets and we do not.

Now, Mr. President, that is a fair proposition but does it accurately describe our situation? I would like to make the point that it does not.

In the first case it is the fact that we are at this very moment building and deploying cruise missiles. Cruise missiles have the capacity to strike hardened military targets wherever they are aimed. We will launch them from the sea, we will launch them from the air, and we will launch them from the ground. They have a long flight time, we acknowledge. They also possess devastating accuracy. They can be deployed anywhere. They can be sent out the back door of the Senate and go halfway around the world and come back in the front door of the Senate. We have them. They are at Rome Air Force Base in New York State. They are other places. They will very shortly be in Europe, under the terms of an agreement NATO reached during the last administration. President Reagan has continued with that commitment. I have no disagreement with it. I do not welcome the tension it is going to produce, but I see why he is going forward and I support him in that.

So there is the cruise missile, a capability promptly to destroy a range of hardened military targets. That is the criterion the Scowcroft Commission asks.

Then the B-1 bomber, with much technology added to it, which we have just proceeded to put into serious production, 48 a year I believe was the rate agreed to by the Senate yesterday. This is the first new bomber we will build since the B-52, which is now almost 30 years from its first production. I understand there is a case in which a particular B-52 is being flown by the son of a pilot who flew it 25 or more years ago. But we shall shortly have a brand new, top-of-the-line, edge-of-the-technology, state-of-the-art bomber fleet.

Now, they are capable of promptly destroying a range of hardened military targets, more so as they carry cruise missiles.

In the early 1990's we are going to have deployed underwater in the Trident submarine the D-5 missile. It will be a hard target intercontinental sea-launched missile, the like of which the world has never seen. And we can reach out and touch the early nineties—it is underway. The ships, the launchers have already been built. One ship is at sea. I think another has been launched. That strategic program is on its way.

And, finally, the mobile missile. It says in the Scowcroft report that, though we could begin very quickly, it might be the early nineties before we can deploy it. Come, come, Mr. President. Is it not the case that when we decided that we needed the original Minuteman, we went from the start of full-scale development to deployment in about 4 years?

Mr. President, could I repeat that? This was once a country whose people could do things in a hurry if needed. We built the Minuteman from a dead start to full-scale development to full-scale deployment in about 4 years, and we could do the same with the Midgetman.

Let me say something which I hope will not give offense to any of the services—because I do not mean to do anything of the kind. The record is clear—there is no question about the record—that, just as the Minuteman is an Air Force missile, so the MX is an Air Force missile.

Now, we know about the Air Force and the Army.

We are about to deploy in Western Europe, again under agreements reached at NATO in the administration of President Carter, the Pershing II missile.

Now, Mr. President, the Pershing II missile based in Western Europe with two stages is a devastatingly serious weapon—a mobile weapon, the deployment of which is one of the great strategic tactical decisions of the Western nations in this postwar generation.

Now, what is it about the Pershing missile that makes it different from the Minuteman or the MX? Hearing no answer, I will reveal the secret. The Pershing is an Army missile and the others are Air Force missiles.

Now, in the Soviet Union today the armed services, with a much higher degree of central decisionmaking in these matters, are taking the SS-20—and remember, we are deploying the Pershing II in consequence of the deployment of the SS-20—and adding to it a third stage and out comes what we now call the PL-5, a mobile intercontinental ballistic missile.

Is there any reason why we could not add a third stage to the Pershing and produce the same? No, there is not. There would be technological problems, engineering problems, but no conceptual problem except an organizational problem. The organizational problem is that the Pershing belongs to the Army, and the new missile would belong to the Air Force.

Are we to assume that this is beyond the capabilities of the Secretary of Defense and the President to resolve, or beyond the powers of this body to direct a resolution of this schism? Of course not.

We could have that mobile Midgetman deployed in this decade. We have already deployed the cruise missiles, which meet the criteria of the Scow-

croft Commission. We are building the B-1 bomber, which can deliver them and deliver warheads of its own, of a ballistic kind. The Tridents are at sea, and the D-5 is on the development line and soon will be on the production line.

Mr. President, how, then, can we go through with this foolish, this reckless, and—as I said earlier, in my view—this wicked decision to go back in time to a missile that has never found a home which, once we deploy it as we propose to deploy it, will put the world on 30 minutes notice to annihilation?

I cannot believe we will do that. No, I cannot quite believe we can do that. Men have done things almost as bad. But never something as dangerous as this will be if we go ahead, and that we need not do.

If some of us are asking Senators to think about that subject, I hope they will not see it as an effort to delay the decision but only as a prayerful effort to have every Member of this body fully comprehend what that decision entails.

Mr. President, I see my distinguished friend from Colorado is on the floor, and I am happy to respond to his questions, or I will yield the floor, if he wishes to seek the floor.

Mr. HART. Mr. President, if the Senator will yield, I just wish to congratulate him once again for putting his finger at the center of this issue and for stating why a clear understanding of the implications of this issue is so important to the Senate and to this country, and why that understanding is not available today, and will not be reached within 2 or 3 hours.

There is a major turning point involved in this issue. It does represent a change in fundamental doctrine, both in terms of the kind of nuclear response we intend to make and how that response might be made.

The Senator from Colorado believes—and I am pleased to hear that the Senator from New York agrees—that many people in this country do not understand that fundamental fact.

I am under no idealistic illusion that even 2 days of extended debate in the Senate—3 or 4—will necessarily bring that about. But it certainly cannot hurt.

Down the road, if any citizen says, "Why weren't we warned?" there at least will be a record. My hope is that it is more than that. My hope is that the Senate of the United States, at its best, can emerge in the next 2 or 3 days as an institution which informs, which educates, which brings to the mass of people in this country information sufficient, in the Jeffersonian sense, for those individuals to reach, in their own wisdom, judgment, and commonsense, what is the best decision for their own future.

If this debate remains locked up Friday and Saturday, or whenever, in this Chamber, we will have done no good except to create that record for the future, so that then people can say, "It was not I."

That is not what we are here to do. What we are here to do is to let people know that this is not just another weapons system. It is not just another nuclear weapons system. It is a historic departure.

My belief, in talking to my constituents and others around the country, is that there is not at the present time a sufficient appreciation of that departure for the American people to make a judgment on their own future.

So I welcome and appreciate the fact that the Senator from New York has pinpointed the fundamental issue.

I have my own statement in support of his position that funds should be transferred to a nuclear warhead system, which I have supported for well over a year, well before the Scowcroft Commission. Depending on the wishes of the floor manager, the Senator from Texas, I can either make that statement now, in support of the Senator's position, or we can yield so that other amendments may be offered.

Mr. MOYNIHAN. I thank my friend. I acknowledge his leadership in this matter. That is why he is here. He could be other places; he has other things to do. Yet he is here, where duty suggests he should be. More people should be here.

What Senator HART and I ask is that, if we make a decision, it be in the name of the American people, who know what we are deciding. They do not know it yet. We seek to inform the people.

We hope that our voices reach beyond this Chamber, but that we shall hear back, that we will be confirmed in our judgment that the American people desire to prevent this profound change in American strategic doctrine which puts the world on 30 minutes notice to annihilation. Mr. President, I have said that once, and I need not say it again.

The distinguished floor manager of this measure is occupied with reading material. The Senator from Colorado asked whether it would be the wish of the Senator from Texas that he proceed on this particular proposal at this point. I see that I have the attention of both Senators; therefore, if it is agreeable, I yield the floor.

Mr. HART. I thank the Senator from New York.

Mr. TOWER. Mr. President, I think it would be useful for Senators to know what we are about today.

Three amendments have been filed relative to the MX—one by Mr. KENNEDY and others, one by Mr. HART and others, one by Mr. MOYNIHAN and others. I believe that the one with Mr. MOYNIHAN's name on it has been submitted and withdrawn. Am I correct in that?

Mr. MOYNIHAN. That is correct.

Mr. TOWER. What I should like to inquire is this: Do the Senators know of any other amendments on the MX that are likely to be offered? Can the Senator from Colorado respond to that?

Mr. HART. Mr. President, it is my understanding there are several other substantive amendments that are in preparation and may be offered today or tomorrow, but I have not yet seen those or seen the authorship of those.

At the time they are available we will make them available to the chairman.

Mr. TOWER. It is my understanding that the Senator from Colorado wishes to seek the floor and talk but not send an amendment to the desk, and I get the impression that it is the intention of the opponents of MX not to permit any of their amendments to come to a vote today; am I correct in that?

Mr. HART. As to the proponents of the amendments which the Senator mentioned, including the one offered by the Senator from Colorado and the Senator from Oregon (Mr. HATFIELD), we are prepared to go forward with debate on those amendments and reserve when the amendments themselves are offered.

Mr. TOWER. May I ask the Senator this: Would he be prepared to agree to a controlled time arrangement for debate on his amendment of, let us say, perhaps 2 hours to a side and then bring that amendment to a vote this afternoon?

Mr. HART. I would, of course, want to consult with the cosponsor, Mr. HATFIELD, who as the floor manager knows was occupied in the Appropriations Committee all day yesterday and, therefore, unable to be here for what limited discussion we had.

Senator HATFIELD told me he does have substantial remarks to be made this afternoon. I do not know at what length. I would consult with him. I can finally say at this time we are not prepared to enter into a time agreement but we are prepared to debate the amendment. I know there are other Senators who also wish to debate specific amendments.

Mr. TOWER. Mr. President, I think the matter is very clear. It is the apparent intention—and I say "apparent" because I do not see how it could be proved. I do not have the quickest mind in this body but I am not naive, and it occurs to me that the proponents of these amendments addressed to the MX wish to have what Everett Dirksen used to call an attenuated educational dialog. That is a euphemism for another word which I will not mention at this time. But we are in for protracted debate. It is the ap-

parent intention of the proponents of these amendments addressed to the MX not to permit the Senate to vote this week on such amendments or certainly not to conclude action on this bill which we could very easily do.

There are very few amendments remaining. They could be disposed of today and tomorrow and still have considerable, I think, adequate debate on MX.

Obviously, there are some determined men in this Chamber, perhaps ladies also, who do not want the Senate to complete action on the bill this week.

I wish to ask the Senator from Colorado if he can specify at what time this week or next he would be willing to see us conclude debate on the MX amendment because we can easily dispose of the other remaining amendments? In other words, what day would he be willing to see us go to final passage, to make a long story short?

Mr. HART. Mr. President, if the Senator will yield, first the Senator from Colorado responds and would like to say, as the Senator from Texas has two or three times today said, that there are still pending amendments on other issues not related to MX but related to the bill. I understand that those can be disposed of.

I do know, however, that periodically new amendments keep popping up on my desk.

Mr. TOWER. That is what happens. That is one reason we wish to dispose of the bill because the longer a bill is before the Senate the more it becomes, as the tort lawyers say, protracted usage.

And there are all sorts of things. Of course, due to the looseness of the rules of the Senate, nongermane amendments can be offered. This may become a vehicle for all sorts of things.

We should do our work with dispatch because appropriations bills are backing up behind this bill.

We cannot act on military construction appropriations, for example, until we have acted on this bill which contains the military construction authorization. And already the length of time that apparently this bill is going to take is denying Senators the opportunity to be out the first week in August. It could conceivably impact on the total August recess.

At what point this week or next would the Senator from Colorado be prepared to see the issues resolved as far as MX and as far as that is concerned go to third reading of the bill?

Mr. HART. The Senator from Colorado was attempting to answer the question before I was interrupted.

Mr. TOWER. I am sorry. I did not mean to interrupt the Senator.

Mr. HART. In any case, I merely took note of the fact that there were a dozen or so pending amendments unrelated to MX but related to the bill, and there seem to be others springing up which the Senator from Colorado had no control over whatsoever.

Mr. TOWER. Let us say, if we can dispose of all of those today or tomorrow, then all that is standing out there naked are the MX amendments and perhaps a nuclear freeze resolution.

Mr. HART. The Senator from Colorado continues to try to answer the question. The Senator from Colorado will further take note——

Mr. TOWER. And I know he is struggling to do so.

Mr. HART. Under very adverse circumstances. Neither the Senator from Colorado nor anyone else that I know of opposed to MX is making any effort to stop any other legislation. A transportation appropriations bill went through here today. It took some time. And any other backed-up measures, with the possible exception of military construction appropriations, are free to move through these corridors.

On the specific question of MX, I can only report for myself and not the other 12 to 15 sponsors of the Hart-Hatfield amendment or 39 Members who voted against MX before.

I intend to do what I can to stop the MX missile in this bill, and I cannot respond for anyone else in that regard. At some point there will be an amendment, and there will be a vote on the amendment. When that will occur is presumably some time next week.

Mr. TOWER. That partially answers the question. Next week.

Mr. HART. I said presumably.

Mr. TOWER. Is there any particular day next week that the Senator from Colorado would be prepared if he were asked to participate in a consent agreement on a time certain to vote on final passage of the bill? What day next week does the Senator from Colorado think that might be?

Mr. HART. If the Senator will yield, I would not be able to respond to that at all without talking to 15 other Senators.

Mr. TOWER. Let us make another thing very clear here. The Senator from Colorado is a very able, distinguished, and learned man, and I rather suspect that he is the spiritual if not the actual leader of the anti-MX forces on the floor. Therefore, I think he has a great deal of influence over the course of events that affect this bill.

Would the Senator, if it were left to him, be prepared to see us go to final passage on Monday?

Mr. HART. If the Senator will yield once again, I appreciate the Senator's overly generous description, which is unrealistically generous. I am not trying to avoid an answer. I do not know what the answer is.

My answer, and I am only one, and I do not speak for anyone else here, is that I intend to do what I can to prevent funds for the MX-missile production from passing.

Mr. TOWER. Would that include filibustering final passage of the bill?

Mr. HART. At this point the Senator from Colorado is not prepared to say what that includes or does not include. I do not intend to speak for anyone else here as to what their intentions are. There are other Senators who feel equally strongly that this is a very serious mistake.

I think the Senator from Texas should direct his question to each of those individuals since I do not control their behavior or their judgment.

Mr. TOWER. Then I shall direct it to each of them in turn as they appear in the Chamber. I am sure they will be greatly influenced by the attitude of the distinguished Senator from Colorado, and I suspect we can get beyond the ambivalence we seem to have on the issue at this point.

Let me ask the Senator from Colorado one further question: If all of the amendments on MX had been disposed of in a manner displeasing to the Senator from Colorado, is he prepared or does he intend to carry on a protracted debate on final passage of the bill?

Mr. HART. The Senator from Colorado wishes to keep all of his options open at this point.

Mr. TOWER. The Senator from Colorado would make Fred Astaire look like an amateur. That is one of the nicest jobs of footwork I have ever seen in the Senate, and I have seen some that are pretty classy.

The fact is the Senator from Colorado would not commit himself. I think that is the bottom line, so that we know what we are in for now, and I think everybody ought to understand that. I think this, of course, raises the prospect of the possibility of having to file cloture on the bill.

As I said this morning, the MX issue is not new. To suggest that it requires very extensive debate to properly inform Senators is, in my view, an insult to Senators who have already legislated on this subject, who have already debated this subject, and if indeed they are serious about the business relating to issues of the MX, the best way to do it is to call up an amendment so that we have a specific proposal before the Senate that both the proponents and opponents can debate on its merits.

There are varying degrees of support for MX. I do not think we can say there is a monolithic opinion on either side. So it is very helpful to clarify the attitude of the Senate on these various issues relating to MX to have a specific amendment before the Senate that we can debate, and ultimately debate must come to a close, and we

must draw a conclusion, and that conclusion is reflected in a record vote.

It appears obvious to me that the Senator from Colorado is unwilling to commit any kind of an arrangement that would give us some idea about what we are going to be about, and the suggestion is that this bill could go to the end of next week. I would hope it would not, and I would hope we could invoke cloture, if necessary, to beat back a postcloture filibuster, if that is necessary, and I hope we can spend several evenings in this lovely and historic Chamber, it is rather nice here at 2 a.m. in the morning, very quiet, not a lot of people out in the corridors here to impede your progress from one move to another.

Mr. HART. Mr. President, will the Senator yield?

Mr. TOWER. I will yield to the Senator from Colorado.

Mr. HART. In that respect it is even nicer at 5 a.m.

But the issue—there is an issue before the Senate and I think we all understand what it is. It will be formalized in an amendment which seeks to strike authorization for production and deployment of the MX. That is the issue. We all know what the issue is.

Mr. TOWER. May I say——

Mr. HART. May I finish?

Mr. TOWER. Yes.

Mr. HART. There is no question about what the issue is, and the Senator from Colorado is not trying to obscure that or anything else.

Other Senators in their own personal judgments have different approaches to this question. For instance, the Senator from New York wishes to transfer those funds to the Midgetman. That is a position I find acceptable, not necessarily advisable but acceptable. Other Senators want to do other things. Some want to recommit the bill with instructions to sever the MX issue. That is not my approach. I will probably support it when it comes up.

My approach is to strike all funds.

I want to make sure when the vote on that question occurs—and I assure my colleague it will occur at an appropriate time—that all Members of the Senate understand what they are voting on. We have only debated the MX in fixed silos a few hours.

Mr. TOWER. The Senator said an appropriate time. Would he define the term "appropriate" as he uses it in the context of his statement?

Mr. HART. I would think appropriate——

Mr. TOWER. Does that mean after the House acts on MX?

Mr. HART. As the Senator from Colorado has assured the majority leader, in my own mind this debate has nothing whatsoever to do with any calendar or chronology with the House of Representatives, period, none whatsoever. I frankly, for those who have made that argument, think it is by and large irrelevant. But I will answer the Senator's question. "Appropriate" means when all Senators, including the Senator from Colorado, have had an opportunity to say all they can meaningfully say, not only on the issues specifically on MX, but how MX relates to our conventional forces, whether in fact those conventional forces are properly funded, and whether in fact this bill takes this country in a proper direction in terms of our national security; that is to say, a debate on the merits of the bill, of the MX in the context of that bill.

I intend not to read cookbooks, not to quote poetry or anything else. What I have to say on this issue will be on the MX and on the bill.

Mr. TOWER. May I say that the Senator is well advised not to read cookbooks or quote poetry because that has already been done in this Chamber by the father of one of our distinguished Members who did so in a very dramatic and colorful way to the edification of all who were within earshot and all who ever read the CONGRESSIONAL RECORD in those days.

But I wonder if the Senator will give us some idea of what he considers a reasonable time? Maybe we can fashion some time agreements so that we know when we can dispose of this bill, because what is happening now, those who are unwilling to give us some idea of their agenda and the timing of it, means it is being unfair to other Senators who are waiting with authorizing legislation, with appropriations bills, to try to bring up and get finished before the Senate goes out for its statutory recess in August.

Mr. HART. Mr. President, if the Senator will yield briefly, I have gone as far as I can in defining an agenda to defeat the MX. As for how long it will take, all that this Senator says on this issue will be relevant by any standard of commonsense.

Further, neither the Senator from Colorado nor any opponents of the MX have done anything so far or intend to do anything to impede any other amendment on this bill or any other legislative matter.

There seems to be some magic attached to the word "filibuster" around here. Is it or is it not; well, I do not know. To me, all those dozens or more filibusters I have had to tolerate around here on issues that I consider a lot less consequential than this were obstructionist. They did stop other measures, they stopped everything. They stopped other amendments to the bill. They stopped anything from going forward.

That is not the policy of the Senator at this time.

Mr. TOWER. Mr. President, it is apparent now what is going on. I want to assure the Members of the Senate that I intend to see that we get two or three meaningful votes here in the Senate today. I can assure we will have some tomorrow, and on issues of considerable importance, perhaps on issues that do relate to strategic capability.

We have gotten over one hurdle on this bill, and that is the modernization of the air breathing leg os the triad. Now we have another hurdle, and that is to secure the approval of the Senate for modernization of the land-based leg of the strategic triad.

It is, perhaps, more than coincidental that many of those who oppose the modernization of one also oppose the modernization of the other, which will take us in due course into the sea-based leg of the triad.

There has already been extensive debate on the MX. I believe those of us who believe in the modernization of the land-based leg giving us some kind of urgent hard target kill capability are unconvinced by the debate that transpired so far. I would have to say in all candor, although as I said earlier I do not consider debate to be irrelevant, the fact is we already have had debate and that debate has already influenced Senators, and I think there is little more convincing that is going to be done by debate.

The Senator from New York (Mr. MOYNIHAN) is one of the most eloquent men in this Chamber, and the Chamber was virtually bare when he spoke.

I do not believe even the Senator from Colorado is so naive as to believe that, as this debate goes on on the MX, there will be more than probably a dozen Senators on the Senate floor, if that many. And I do not believe he is naive enough to believe that everybody is going to eagerly rush to his CONGRESSIONAL RECORD the next morning and read everything that has been said on the Senate floor.

So really what this boils down to is a question of timing. And the ball, of course now is very much in the court of the Senator from Colorado.

I am prepared to yield the floor and let the Senator from Colorado speak. I hope that he would do me the courtesy of permitting me to intervene from time to time for the purpose of trying to dispose of other amendments that Senators might have which will not take an extended period of time.

Mr. HART. Will the Senator yield?

Mr. TOWER. Yes.

Mr. HART. I am prepared to speak or not speak. I do not intend to control the floor. The floor is under the control of the Senator from Texas. If there are amendments he wishes to call up, he may do so.

Mr. TOWER. The floor is under the control of no one but the respective leaders.

Mr. HART. Senator BAKER, or whomever. If the Senator does not wish to call amendments up, I am prepared to speak, or however he wishes to proceed.

Mr. TOWER. I would be delighted to see the Senator proceed right now. I ask that he permit me at some point to ask him to yield—not in the middle of a sentence or something like that—so that we might perhaps bring up some amendments that we have notified Senators about. We expected actually to have some debate and to vote on the Moynihan amendment today. That was to be the first vote, first order of business. Some Senators who have amendments to offer were sort of caught flatfooted and unprepared with the withdrawal of that amendment. I expect very shortly we will have amendments on the floor. So I invite the Senator from Colorado to seek the floor.

Mr. HART. I only respond before seeking the floor that there was action on another bill. The Senator from New York withdrew his amendment. I think there was a full understanding that other business could come up this afternoon in any case. I will speak for 20 or 30 minutes and if Senators wish to offer amendments at any time, I will yield the floor.

Mr. President, we are dealing with many things in the defense authorization bill now before us. We are dealing with more than $200 billion, roughly equivalent of the annual national debt. We are dealing with choices about weapons systems that will vitally affect our future security. We are dealing with millions of American servicemen and servicewomen.

But above all, we are dealing with the failure of our entire national security process.

Two and one-half years ago, the Reagan administration took office and pledged to strengthen our national defense. It was supported by a broad public consensus in favor of a stronger defense.

But today, our defense is no stronger and the consensus has been dissipated. We have increased the defense budget, to be sure. But the increased spending has not brought increased strength, which is the only measure that counts.

The key weaknesses in our Armed Forces are still weaknesses.

The probability that our forces would win in combat is still marginal.

The kinds of things we are doing with our defense dollars still, for the most part, do not make much military sense.

And the issues which are central to changing these conditions still play little role in our national defense debate.

This bill is a symptom of our failure. When it came to us from the executive branch, it was not a thoughtful, imaginative, effective proposal, changing the direction of defense policy. It was a lowest common denominator bureaucratic compromise among all the special interests within and among the services, the Pentagon, the weapons contractors and Capitol Hill.

The Senate Armed Services Committee held extensive hearings on it and spent a great deal of time marking it up. But here, too, the reality was less than met the eye.

While we did cut some money and look at some program management issues, the conceptual underpinnings of the bill were not questioned. The witnesses on the bill were all from the Pentagon. The rhetoric was national security, but the reality was business as usual and, to a degree, politics as usual, as well. In terms of what kinds of things are we doing and buying with our defense dollars. Little real progress was made.

Now, here on the floor, we have looked at some specific weapons. Some of these weapons, like the MX, have serious implications for our future security, and it is appropriate and necessary that we should look at them and look at them very well.

But again, we are not asking the basic questions. And, too often, the real basis of decisions is far different from the reasons given for them.

Has our defense policy process gotten off the track? In some respect, I suppose an argument could be made that we are continuing in the traditional way.

But when a program manager pushes for a weapon that has failed its operational tests or whose testing he has biased in its favor, is that genuine national security?

When reports from military exercises whitewash our failures to make favorite systems look really good, is that contributing to our national security?

When military people directing a program retire and immediately go to work for the contractor they helped select, do they really represent a major contribution to unbiased and careful national defense?

When the defense consultants tell their Pentagon clients what they want to hear rather than what the evidence really says, does that contribute to our national security?

And is not the most subtle and ultimately the most dangerous sidetracking of this debate a refusal to make the things history says are most important for winning in combat the central issues in our defense debate?

Of course, there are other names for these things besides that nasty word "corruption." They can be called good politics. They can be called playing the game. They can be called being effective. They can also be called a successful career.

But ultimately, they mean the people who are legally and morally responsible for defense policy have made decisions that may not reflect a totally independent, unbiased, professional judgment on an unalloyed national defense policy.

The two questions we should debate here, on this bill, are both very simple. The first is, "has this happened to us?" The second is, "if it has, what do we need to do differently? What can be done this year to make next year's national defense debate different?"

I think most of us—and I include those of us in this Chamber and the officials across the river—know it has happened. We may find it impolitic to say so. But most of us would even, be willing to admit it, if there were some point to doing so, if we could see some way out.

Trying to find a way out is what some individuals in the Congress and outside have been trying to do. Those individuals, often called military reformers, are trying to find an answer to that second question—"What do we need to do differently?"

There is an anecdote about a conversation in the mid-1930's between the French Prime Minister, Leon Blum, and Charles de Gaulle, then a French Army colonel. The future leader of France reproached Blum about the state of the country's defenses.

Blum was nettled. "But we are spending more on defense than the previous Government."

"It is what you are spending it on," De Gaulle said, "that I want to discuss."

What they were spending it on was bigness. The French had the largest—and, by most accounts, finest—army in the world. They underwrote huge military budgets. They constructed the most massive defense installation since the Great Wall of China—the Maginot Line.

And when World War II came, all of it collapsed. In just 1 month, France, with her allies Belgium and Holland, were defeated.

What they discovered was the amount of money they were spending had very little to do with their national security.

What had happened? In his book "To Lose a Battle," Alistair Horne puts his finger on the essential reason. Realizing that, in combat, ideas were at least as important as weapons, the Germans had overhauled their strategic and tactical doctrines after World War I. The French general staff, on the other hand, "allowed itself to become bogged down in bureaucratic method; 'paperasserie,' as the French call it, the blight to which all armies are susceptible, flourished. It was difficult to see where the power of decision lay. * * * There was not much discussion on a higher strategic and tactical plane, and what there was tended to follow abstractly intellectual paths

from which little practical ever emerged."

After 8 years on the Senate Armed Services Committee, I am convinced that we are well along the road to repeating the French mistake. It has been more than 30 years since the last clear-cut American victory, the brilliant and audacious landing at Inchon. Vietnam, the Pyrrhic victory in the *Mayaguez* affair, and the failed Iranian rescue attempt all attest to some deep-seated problems in our armed services. Yet our national defense debate, in Congress and in the press, continues to revolve largely around how much to spend. New ideas, from inside or outside the services, are seldom heard and less often welcomed.

A growing number of my congressional colleagues have come to feel that there is something profoundly wrong.

That number includes Democrats and Republicans, liberals and conservatives, Senators and Members of Congress.

We have joined in the military reform movement, an alliance of—mostly younger—military officers, civilian defense analysts, and Members of Congress. The reformers' goal is to bring our defense priorities back into line with what history tells us is important in winning—and, therefore, deterring—wars.

In seeking to determine where we have gone wrong, we must start by looking at the basic building blocks of any military—personnel, tactics and strategy, and hardware.

I note that the defense debate is usually reversed—hardware first, and then little, if any, attention to strategy and tactics and personnel. But the most important thing is to start with personnel, to start with people.

Personnel questions are usually discussed in terms of pay, service entrance tests, and so on. But these issues miss many of the most critical aspects of military personnel policy.

One such issue is unit cohesion, the psychological bonding between individuals that takes place within the small, basic unit—the fire team, the squad, the aircraft crew, the ship's section. In the stress and chaos of combat, people fight less for king and country than for their buddies. If the person next to him is not a buddy but a stranger, they are more apt to sit out the fight or break and run.

Cohesion can develop only when a unit contains the same people for long periods. It takes time for strangers to come to rely on one another. Today, we do not provide that time. Many Army combat companies have a personnel turnover rate of 25 percent every 3 months, the highest in the world. So our troops remain strangers to one another, and strangers do not fight well together.

The recently retired Army Chief of Staff, Gen. Edward C. Meyer, recognized this problem. The Army is experimenting with ways to improve unit cohesion, such as adopting the British practice of having people spend their entire service career in a single regiment. It is vitally important that General Meyer's initiatives continue under his successor. I hope Congress will pay more attention to matters of this sort.

When we look at tactics and strategy, we find that here, too, basics tend to be ignored. Our doctrine in this field has traditionally been based on a style of warfare known as "firepower-attrition," the object being to destroy the enemy man by man, killing his troops and blowing up his equipment faster than he can do the same to us. We have fought this way for more than a century. The Union won the Civil War with firepower and attrition, overwhelming the Confederacy with more men and more guns, more supplies and more firepower. We rolled the same way over the Germans in 1918 and the Axis in World War II.

This style, however, is badly outdated. Firepower-attrition can work for the side with superior numbers, but we no longer possess that advantage. We cannot overwhelm the Soviet Union with superiority in manpower and materiel. We need a different style of warfare—"maneuver warfare." Here, the object is to destroy the enemy's cohesion—and the opposing commander's ability to think clearly—by creating surprising and dangerous situations faster than he can cope with them.

The German exploit in 1940 is a good example. So are most of the Israeli campaigns and Stonewall Jackson's Shenandoah Valley campaign in the Civil War. The Marine Corps is showing openness toward the maneuver concept; the Second Marine Division has proclaimed maneuver warfare as its doctrine.

The Army is also moving toward maneuver doctrine, and has woven it in to its new field manual, FM 100-5. But just as the Army, to its great credit, has begun this historic change, it is being pushed back toward firepower/attrition warfare by elements in the Office of the Secretary of Defense, the House Armed Services Committee, and, sad to say, this bill.

The new manifestation of firepower/attrition warfare is called "deep battle" or "deep strike." The theory is that we can defeat a Soviet style force by destroying its "second echelon" with high technology weapons. Unfortunately, it is not clear the Soviets still have an operational second echelon; it is unlikely we could target it if they did; and the hi-tech weapons are most unlikely to work in combat. Conceptually, "deep strike" is a return to World War I with longer range artillery. Its effect would be to push the Army away from the agility needed for maneuver warfare, and back to the ideas of preplanned battles, of rigid, centralized command, and of thinking of war in terms of the aggregate kill probabilities of weapons. The lack of concern with which the Armed Services Committee has endorsed and funded key components of "deep strike" is a sign of the deep problems in our defense policy process.

A new way of looking at the nature of conflict has been explored in the work of retired Air Force Col. John Boyd. While still a captain, Colonel Boyd developed the basics for the system of air combat currently used by the United States. His ideas were influential in the design of the F-16, possibly the world's finest fighter plane. His theory is a key part of the thinking of military reformers.

Conflict, Colonel Boyd argues, is a matter of "observation-oriented-decision-action cycles," which each contending commander consistently repeats. First, the commander observes—not only with his eyes and ears but with his radar, reconnaissance, and so forth. He orients—that is, he forms a mental picture of his relationship to his opponent. On the basis of this picture, he determines a course of action—he decides. He acts. Then he begins observing again, to see the effect of his action.

The commander with the faster cycle will eventually win, because he is already doing something different by the time the enemy gets to the action part of his own cycle. The enemy's action becomes irrelevant. If one side is consistently faster, the margin of irrelevance keeps growing, until the enemy either panics or becomes passive. At that point, he has lost.

It stands to reason that rapid execution of the Boyd cycle requires commanders with boldness, imagination, and initiative. Yet by and large, this is not the type of person being promoted in our armed services today. The cycle puts a premium on decentralization, since rapid decisions can be made only by the officer on the scene. Yet we are busy centralizing our command systems with the latest technology, so the President or a general in Washington can direct a platoon halfway around the world.

The Boyd theory has implications for military equipment as well. In research and development, as well as in procurement of new weapons, the changes made must be quick and major, so as to make the enemy's equipment irrelevant. In our military establishment, the changes are far too slow. A major new weapons system can be 10 to 20 years in development. Our procurement policy favors weapons so complex and expensive that we must keep them in service for decades to get our perceived money's worth. The

Navy, for instance, has built itself around the big aircraft carrier for more than 30 years. And much of our equipment is too complex to work well on the battlefield.

Pentagon spokesmen have taken to calling this a debate between quality and quantity. They portray the services as supporters of quality, wanting only the finest weapons for our soldiers, sailors, and airmen. They argue that this necessarily leads to very costly, very complex weapons—the M-1 tank, the F-15 fighter, the big nuclear aircraft carrier. By contrast, they label the military reformers as people who are willing to accept inferior weapons in order to buy more of them—or, sometimes, simply to save money.

In fact, the real debate is between two different definitions of quality. The Pentagon defines quality in technical terms: High technology equals quality. The military reform movement defines quality tactically, in terms of the characteristics that are most important in actual combat. That definition leads the reformers to emphasize such characteristics as:

Small size: Often, being seen means getting killed.

It means reliability, ruggedness, and ease of maintenance. Fragile equipment is soon out of action.

It means rapid effect: Our highly touted antitank missiles, to cite one shortcoming, require the gunner to guide the missile for about 20 seconds, a very long time when someone is shooting at you.

It means numbers: In tactical terms, quantity is an important quality. A navy that depends on only 13 ships—our 13 large aircraft carriers—is a vulnerable navy. The finest fighter plane in the world is in serious trouble if it is outnumbered three to one or five to one by enemy fighters.

The same characteristics that give a weapon tactical quality—small size, simplicity, ruggedness—also tend to make it cheaper. Thus, the practical choice is not between quality and quantity but between technological quality in small numbers and tactical quality in large numbers. In other words, in most cases, we can choose between a small number of weapons likely to be unreliable in combat and a large number of more effective weapons. Current Pentagon policy prefers the former.

Where have these misguided policies come from? To answer that question, we must confront some serious problems in the military education and promotion systems.

All organizations need a balance among several different types of abilities—leaders, to motivate other people to overcome obstacles; managers, to organize procedures and processes, and theorists, to determine what the product should be. In a military service, the theorist's role is particularly important; it is the theorist, more than the leader or manager, who understands the art of war as a whole.

Mr. President, may I interrupt myself to say to the distinguished floor manager that at such time as anyone wishes to offer an amendment, I shall yield the floor.

Unfortunately, in our Armed Forces today, these three roles have gotten badly out of balance. Our military educational institutions too often stress management, not leadership or theory. A cadet can graduate from West Point or a midshipman from Annapolis with only a one-semester course in military history. As one cadet recently wrote, "Cadets are not trained to think and lead, but rather to respond and manage, a situation that we find deplorable."

A few of our military colleges have begun to teach about warfare. The Naval War College reformed its curriculum several years ago to give greater attention to history; the students now begin by reading Thucydides. The Air Force Academy has just added four semesters of military studies to the one-semester history course they previously offered.

But in other schools, unfortunately, students are likely to pass through the entire curriculum without even hearing about issues such as style of warfare. Several years ago, at the Marine Corps Command and Staff College, only about a dozen students signed up for the military-history elective; several times that number preferred aerobics and running. The Army's Command and General Staff College at Fort Leavenworth recently expanded its physical education program; to make time for it, the military-history reading requirement was reduced from 10 books to only 4.

Neither gym class nor electrical-engineering nor management courses are likely to help produce new George Pattons. General Patton, himself a lifelong student of military history, once wrote to Maxwell Taylor, then Superintendent of West Point:

> I am convinced that nothing I learned in electricity or hydraulics or in higher mathematics or in drawing in any way contributed to my military career. Therefore, I would markedly reduce or wholly jettison the above subjects.

Poor education in the military schools is reinforced by poor training in the field. To become an expert in tactics, a commander needs to spend time in free-play exercises, where he faces an opponent who is trying to surprise, confuse and defeat him. Instead most of our exercises follow rigid scripts where everyone knows well in advance what he and his opponent will do and when. It is more like ballet than war. It is management, not leadership or tactics.

The promotion process further reinforces the manager's predominance. "Efficiency" and "zero defects," the hallmarks of the successful manager, are the best tickets to success. Yet the leader and the theorist seldom meet the zero defects test. Their imaginative approach to problems naturally leads to some mistakes, and the promotion system punishes them for these mistakes without rewarding them for innovation. So problems persist and grow, with the underlying reasons often unrecognized and the proffered solutions largely conventional and uninspired.

How did this situation come about? To some extent, the question answers itself: If the military schools do not provide an education in the art of war, and if those who educate themselves and act on their knowledge are not promoted, there will be few at the top to see the need. But that in and of itself is not the whole answer. We must look deeper still, into how our armed services function as institutions.

There are essentially two institutional models, the bureaucratic and the socialized. In bureaucratic organizations, individuals focus on doing their jobs defined in narrow "in-box, out-box" terms. This model has become typically American. We see the attitudes it produces in the paper-pushing bureaucrat, the Congressman or Senator interested only in getting more grants for his own district or State, the assembly line worker who watches the clock instead of the quality of his work, the executive seeking laws to throttle foreign competition instead of improving his product.

We see it in the military as well. Adm. Elmo R. Zumwalt, Jr., the former Chief of Naval Operations, has described some of the ways it works in the Navy. For the last quarter-century or more, he writes:

> There have been three powerful "unions," as we call them, in the Navy—the aviators, the submariners and the surface sailors—and their rivalry has played a large part in the way the Navy has been directed. . . .

Whichever union a commander comes from, it is hard for him not to favor fellow members, the men he has worked with most closely, when he constructs a staff or passes out choice assignments. It is hard for him not to think first of the needs of his branch, the needs he feels most deeply, when he works up a budget. It is hard for him not to stress the capability of his arm, for he has tested it himself, when he plans an action.

The bureaucrat's narrow focus leads him to believe that the success of his small group within the organization is more important than the goals of the organization as a whole.

The socialized model, on the other hand, defines an individual's job quite

differently. It seeks to persuade all who work within the organization to focus on its overall objectives.

This is the approach used by such successful corporations as Toyota, Datsun, Sony, IBM and other organizations that have been very productive. A professor from Tokyo University gave an example in a talk at Stanford. He told of a San Francisco bank that had been doing poorly and was bought by a Japanese bank, which sent in new Japanese management. The American employees said, "Tell us what to do differently." The Japanese set forth the values and goals of their bank. The American said, "That's all fine, but tell us what to do." The Japanese continued to explain the values and goals of their corporation.

The Americans, who wanted detailed instructions, were resentful at first, and productivity fell still further. Finally, they came to understand that they were to use their own intelligence and initiative—not only within their narrow jobs but in everything they could do—to further the bank's goals and values. Productivity rose dramatically, and the bank became one of the most successful in the city.

At one time, our military services used this philosophy. But the Army, since its expansion in 1940, has increasingly hewed to the bureaucratic model; the Air Force adopted that model when it separated from the Army, and the Navy has been vacillating between the two approaches.

Today, among our armed services, only the Marine Corps is committed to the socialized model.

Bureaucratic behavior lies at the core of America's military inadequacies. It is a far more fundamental problem than the budget level of any given year. War demands rapid change, to present the enemy with the baffling and the opaque, resolving quickly into the surprising and dangerous. But change is bureaucratically uncomfortable; it upsets the existing arrangements, the traditional fiefs. In industry, bureaucratic behavior leads to bankruptcies like that of Penn Central. In Government it leads to massive waste. In war, it leads to defeats such as Austria's humiliation by Prussia in 1866 and France's collapse in the mid-20th century.

Mr. President, what has all this to do with the MX? What it has to do with is a weapons system in search of a home. We are debating this issue today, hopefully constructively, because of bureaucratic mistakes. Those mistakes caused this weapon, which many believed might be necessary in the 1980's and therefore supported its research and development, to emerge into a long, sometimes even comical odyssey through a conceptual desert in search of a home. That desert included notions of mobility, notions of racetrack deployment, notions of multiple aim point and multiple protective shelter. It included notions of dense pack, of widely spaced basing, notions called Bigbird, notions of little submarines, and more than 30 notions of where to put this missile.

One of the reasons, as the Senator from New York previously outlined, we have had so much trouble with this system is because of its size. That size was in part dictated by the Congress of the United States, which wanted a very large MX missile just to show the Soviet Union that we were as tough as they were. Toughness was described and defined in quantitative terms—another kind of bureaucratic approach to a serious problem.

So once we had decided to show the Soviets how serious we were and how tough we were by building a very big missile, bigger than had ever before been believed was necessary to deter aggression, then we had the problem of not finding a home for it, which led to this sometimes amusing, sometimes frightening odyssey that I have described that has brought us to this very day.

The most illogical, the least sensible notion that anyone could conceive of, and no one up until 2 or 3 months ago ever seriously discussed, was putting the big, shining, dangerous, new missile in old, vulnerable silos.

So here we are with a missile designed to deter aggression, designed to show the Soviets we are tough and firm and determined, with no place to put it except the most vulnerable, highest value target in the Nation, and that is fixed Minuteman silos.

Why is all this discussion about the way the military and the defense policy institutions go about making decisions relevant to all this? Because, Mr. President, that approach has led to national defeat in the past. That approach as applied to the strategic systems of this Nation in the 1980's will lead us not only to possible defeat but also to possible annihilation. It is a dangerous step. It is a step laden with consequence and one that should not be taken lightly.

I know that my colleagues in the Senate, some of whom have formed judgments on this and some of whom have judgments that are wavering, want to discuss this fully and want to understand it fully and want to consult with the people whose security they are committed by the Constitution to protect. It is hoped throughout this day and tomorrow and perhaps some of next week that opportunity will arrive.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, at this point in the proceedings I yield the floor to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. JEPSEN. Mr. President, just for clarification, it is my understanding the minority now is being represented by the distinguished Senator from Colorado?

Mr. HART. The Senator from Colorado understands that that is the case.

AMENDMENT NO. 1498

(Purpose: To provide that one of three new Assistant Secretary of Defense positions established by section 1011 of S. 675 shall be the Assistant Secretary of Defense for Reserve Affairs)

Mr. JEPSEN. Mr. President, there is an amendment at the desk on behalf of myself and Senators WARNER, EXON, THURMOND, and HUDDLESTON, and I ask now for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Iowa (Mr. JEPSEN), for himself, Mr. WARNER, Mr. EXON, Mr. THURMOND, Mr. HUDDLESTON, Mr. FORD and Mr. RANDOLPH proposes an amendment numbered 1498.

Mr. JEPSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(1) On page 137, line 4, strike out "'ten'" and insert in lieu thereof "'eleven'".

(2) On page 137, strike out lines 5 through 11 and insert in lieu thereof the following:

"(2) Section 136 of such title is amended—

"(A) by striking out 'Manpower and Reserve Affairs' in the fourth sentence of subsection (b) and inserting in lieu thereof 'Active and Civilian Manpower';

"(B) by striking out 'manpower and reserve component' in the fifth sentence of subsection (b) and inserting in lieu thereof 'active duty and civilian manpower';

"(C) by inserting after the fifth sentence of subsection (b) the following: 'One of the Assistant Secretaries shall be the Assistant secretary of Defense for Reserve Affairs. He shall have as his principal duty the overall supervision of all matters relating to reserve component affairs of the Department of Defense. One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.'; and

"(D) by striking out subsection (f).".

(3) On page 137, line 21, strike out "'(10)'" and insert in lieu thereof "'(11)'".

Mr. JEPSEN. Mr. President, simply stated, this amendment would elevate the Deputy Assistant Secretary of Defense for Reserve Affairs to the Assistant Secretary level.

When the All-Volunteer Force was begun in 1973, the Reserve component became a vital partner in the total force. Over the last 10 years the Reserve and National Guard has gradual-

ly increased its level of professional competence and readiness. The Reserve component is finally coming of age and now makes up 50 percent of our combat capability.

Moreover, the role of the Reserve and National Guard will be increasing in the future as demographics restrict the available pool of 18-year-old males in the late 1980's. Greater reliance on the Reserve and National Guard for peacetime readiness may be the only alternative to a return to conscription.

For that reason, I believe that it is time for the Deputy Assistant Secretary of Defense for Reserve Affairs to be up graded to the Assistant Secretary level. The current Deputy Assistant Secretary of Defense for Reserve Affairs is subordinated under the Assistant Secretary for Manpower, Reserve and Logistics. I am concerned that the scope of the Assistant Secretary's duties are simply too broad to allow for attention to Reserve and National Guard issues at the highest level within the Department of Defense. Let me state, however, that by proposing this change in the structure of the Department of Defense, I am in no way criticizing the performance of the current Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics. He, like the other members of this administration, has made great strides in improving the readiness of our National Guard and Reserve. We must build on those accomplishments, however, and I am convinced that this will be a necessary and vital step, if we are to reaffirm our reliance on the citizen soldier for the burden of our national defense.

Mr. President, I ask that my amendment be accepted by the managers of the bill.

I yield to the distinguished Senator from Virginia. I also see the very distinguished Senator, the former chairman of the Armed Services Committee, seeking recognition, and I will be sure to yield to him.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. I commend my distinguished colleague from Iowa and those in support of this amendment. In my humble judgment this action may be among the more significant taken by the Senate with respect to the 1984 authorization bill.

I, too, have researched the demographics as has the distinguished Senator from Iowa and others.

Those demographics show that while in 1979, the Armed Forces of the United States were required to take basically 1 out of 5 persons who, by virtue of their mental capabilities and physical capabilities, were eligible to serve in the Armed Forces. That has become today a ratio of 1 required of 4 available. It is projected in the 1990's to be 1 in 3; if college bound youth are not included it could be in the range of 1 to 2 or 2½.

All this portends the necessity by our military planners to provide for strengthening the Guard and the Reserves.

To that end, Mr. President, I should like to draw the attention of my colleagues to the ratios of active personnel to reserve or guard components by other nations.

For example, the Euroneutrals have 1 uniformed person for 8 in the reserve and guard. The Warsaw Pact: 1 uniformed for 2.3 reserve and guard. The Soviet Union: 1 to 1.56. NATO: 1 to 1.4.

In sharp contrast, the United States today, for every person on active duty in uniform, has only four-tenths of a person in the Reserve and Guard.

I recognize that the basic military strategy of the United States, by necessity, is one of forward deployment. Nevertheless, taking into consideration the demographics of the future, the fiscal constraints facing us today and likely in the future, we must, by necessity, move in the direction of a stronger National Guard and Reserve.

To that end, the distinguished Senator from Iowa and others have felt it necessary to have this elevated post in the Department of Defense. Having served myself in that Department for a number of years, I know full well the necessity of having an individual with equal access to the other policymakers in the Department to speaking on behalf of the Reserve and Guard.

Mr. President, I also feel duty bound to include in the RECORD at this point a letter from Deputy Secretary of Defense Paul Thayer, to the effect that the current position of the Department will be in opposition to this amendment. I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C. July 14, 1983.

Hon. BILL NICHOLS,
Chairman, Subcommittee on Investigations, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR CHAIRMAN NICHOLS: I have been informed that your Subcommittee has scheduled hearings on H.R. 486, which would authorize to the Department a new position of Assistant Secretary of Defense for Reserve Affairs. I believe it is important that you know Secretary Weinberger and I are strongly opposed to enactment of that legislation.

Our reason is simple: the Reserve Components fare better under the current arrangement than they would under the proposed legislation. Currently, the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics [ASD (MRA&L)] integrate Total Force matters. The Deputy Assistant Secretary of Defense for Reserve Affairs [DASD(RA)] is situated within the ASD(MRA&L) organization because it is there he can best influence policy and programs that affect the Reserve Components. Thus, the individual who is responsible to the Secretary and me for ensuring that the policies and programs for manpower and materiel readiness are adequate, also has the responsibility for ensuring balance among the active and Reserve Components. Only in this way can we manage a Department-wide Total Force Policy.

There are two good examples of how the ASD(MRA&L) employs his entire staff, including the office of the DASD(RA), to ensure application of the Total Force Policy:

In 1981, the first year of this Administration, the ASD(MRA&L) recommended an addition of 34,000 Selected Reservists over a three year period to the program proposed by the Army. The clincher in the ASD's agrument was not that Selected Reserve strength was low (it was), but that his analysis of the total Army force—active, reserve component, and retired people—showed it would be inadequate for the kind of conflict we might face. The ASD(MRA&L) is raising a similar issue in this year's program review. I'm sure that, if competing demands for funds allow it, we will again increase the Army's program for Selected Reserve strength.

Last year, while preparing the FY 1984 budget, the ASD(MRA&L) insisted that the Army's program for equipment procurement was inadequate—it could not satisfy the immediate readiness needs of both active and Reserve Component units, let alone the sustainability demands for war reserve stocks. As a result Secretary Weinberger added $2.2 billion to the Army's program to satisfy critical equipment needs—$658 million of that was added to the Army procurement proposal for FY 84 alone. If authorized and appropriated, these funds will go a long way to help resolve the poor Army Reserve Component equipment readiness levels this Administration inherited.

If the bill were enacted, those integrating tasks would be left to Secretary Weinberger and me. We would be faced with possibly very reasonable claims for changing policy and reallocating resources in support of the Reserve Components but, without the ability to integrate those claims into the Total Force picture, we would be unable to act on them. Reserve Component views are now clearly expressed and understood in the most senior decisionmaking bodies in the Department. If the bill were enacted, there would be no improvement on that score, but the loss in the Department's ability to integrate active and Reserve component needs would make it most difficult to support those views.

This Administration and Secretary Weinberger are on record as being personally committed to the Reserve Components. Decisions like the two cited earlier have already improved the readiness of our Reserve Components, with more improvements to follow as our increased procurement appropriations are now resulting in more equipment coming from the factories. Selected Reserve strength is up almost 160,000, an 18% increase since 1980, while active strength increased only 5% in the same period. Plans for the next five years show similar growth patterns. These are signs of solid progress.

In sum, Secretary Weinberger and I believe H.R. 486, although purporting to improve the status and readiness of the Reserve Components, will, if enacted, create just the opposite effect. The close and integrated relationships that now exist between

Reserve Component and active force management will disappear under this bill. Thus, we strongly oppose enactment of any legislation that would create a separate Assistant Secretary of Defense for Reserve Affairs.

This letter places on record the views I expressed to you in our meeting on July 12. If you feel it warranted after enactment of the FY 1984 Defense Authorization Bill, I will be available to testify on this most important issue.

Sincerely,

PAUL THAYER.

Mr. WARNER. Mr. President, I am prepared to accept this amendment on behalf of the majority.

Mr. HART. Mr. President, as one who is now representing the minority on the committee in this matter, I am pleased to be in a position—it having been alleged that I was delaying action on the bill—to help facilitate this amendment. I understand that the minority on the committee has no objection to the amendment.

Having myself just made some remarks about the influence of bureaucracies on policies, I have to say that, personally, I do not think we necessarily solve problems by changing people's titles. So I think the Senator from Iowa has a good case to be made here, and on behalf of the minority, I accept it.

Mr. STENNIS. Mr. President, I shall not detain the Senate more than a few moments. This is a subject with which I have had quite a bit of contact.

The growing importance and the growing performance of our National Guard and Reserve Forces is one of the very bright things in the present picture with reference to our military preparedness and our Armed Forces. I have been among the men who constitute these Reserve units and National Guard units, and I find that many have had seasoned military training in the regular service. They live in those communities, and many of them are leaders in their communities. It means that they are supporters of the schools, the churches, the civic organizations, and all the activities that make up the American way of life. They have some affinity with military life and military training because they stay with it year after year and show a fine performance.

Those are not merely words. The records show that many of these units outperform the Regulars in corresponding types of military units. That is not just in easy maneuvers but also with respect to the complicated assignments.

I know that in Jackson, Miss., year after year, the Air National Guard unit—or at least one of those units—scored very, very high and, with all due deference to the Regulars, outscored the Regulars at times.

The program involves a competitive basis selection, and they send these better trained, experienced units to Europe and elsewhere for a few weeks, and they are kept in touch with conditions there.

So this not just a fancy, not just a community organization. It is a meaningful, major part now of our military preparedness.

I emphasize that there are men of experience, intelligence, and character, the very best type of citizenship, who are giving their extra time to render this service and stay in this state of preparation.

They have not had too generous treatment from Congress with reference to the money end of the situation. They have not had too fine recognition from the Regular services, and that is not any criticism of the Regular services. They, naturally, put most of the money into their needs. But Congress is now alloting more money each year for modern equipment.

As I once stated, let us give these Reserves and National Guard some field units with equipment that still has the factory paint on it, rather than something that is worn out and has been almost thrown away before it came to them.

So I commend the Senator for offering this amendment, and I am proud of the support it has.

Mr. WARNER. Mr. President, I wish to say, on behalf of many of us, that when the distinguished Senator from Mississippi takes the floor to speak on a matter, he speaks with the wisdom and farsightedness that he has given to the Senate for many years.

The Senator's remarks brought back a memory I have of 1950. I was then a young second lieutenant in a Marine Corps aviation squadron, flying planes out of Anacostia. We were called to active duty in the summer of 1950, and within 90 days, some members of that squadron were flying in South Korea, side-by-side with the Regulars.

Although my recollection is a little dim, I believe that every member of that squadron at one point did serve in a combat situation in Korea. Many of them lost their lives.

I am pleased today to recite that in support of this amendment, because the Reserves have been called upon and have fought with just as great skill and professionalism as have the Regulars.

I thank the senior Senator from Mississippi.

Mr. BUMPERS. Mr. President, I first of all ask unanimous consent that I be made a cosponsor to the amendment of the distinguished Senator from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I shall not belabor it. But I just happened to be in the vicinity, and I never miss an opportunity to express my respect and admiration for the Guard at every opportunity, and I dare say you will never find a former Governor who feels any different.

I used to hear people denigrate and laugh about those posters you see: "Sleep well tonight because your Guard is awake."

I do not know whether I had any feelings about that at all, but I do know that after I became Governor of my State I found that I was calling on the National Guard from three to five times a year in dire emergencies. I almost had them out to stop a riot in my State one time.

But whether it was a flood or a tornado, or even helping my wife immunize the children of my State, the Guard performed yeoman service.

The only real quarrel I ever had with Harold Brown when he was Secretary of Defense was that I did not think he really had a keen enough appreciation for what the Guard and the Reserve could do.

One need only spend a very short time studying what the Federal Republic of Germany and Israel have done in their ability to mobilize a half million men in 24 to 48 hours and have them in the field ready to fight, to know what we could be doing with our Reserve and Guard. We just need a little more money and a little more enthusiasm on the part of some people in the Pentagon.

I used to be a member of the Armed Services Committee, and when I was I took a few trips around the country to visit bases, and I remember being out at Fort Bliss and seeing the New Mexico Guard training on some old M-42 Duster air defense systems that I had just seen in the Fort Bliss Museum, which just brought home to me so profoundly how we denigrate them in providing money and giving them the equipment to train with.

Then I came back to my own home and I saw the Air National Guard in Fort Smith, Ark., training in F-100 fighters, and you know it is an interesting thing. The Pentagon at that time considered the F-100, which was one of our main line fighter planes during the Korean War, obsolete. Incidentally, if you see one of those planes and you watch it perform and you see its firepower, you get a very strange feeling about what the Pentagon considers obsolete.

But even so, F-4's had already long since become in Vietnam our main fighter plane, and so I avowed that I would not rest until at least the Fort Smith-based Air National Guard had a lot better plane to fly in.

I could go on citing instances of the tremendous services the Guard in my State and those throughout the Nation have and are performing for the Nation. The point that the Senator from Iowa is trying to make is that if Guard units have high level support

in the Pentagon, the kinds of things that I am citing here, which I think have been a result of neglect, will not happen so easily in the future. I do not see any reason to believe that adoption of this amendment is going to exacerbate the interservice rivalries that exist, it will certainly improve the morale of the Guard in this country.

So, Mr. President, I am pleased that I was here while this amendment was being offered so I could say those few words. I have repeated them time and time again since I have been in the Senate and am happy to do it again.

Mr. ANDREWS. Mr. President, will my colleagues yield for a moment?

Mr. BUMPERS. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. ANDREWS. Mr. President, I think our colleague has made an eminently sensible point. Our Republic was founded really on the citizen soldier and what he could in fact do.

The greatest consumer of dollars in this Department of Defense bill is personnel costs. There is also an estimate, as I understand, for, I think, some six additional wings in the Air Force.

I heard only part of what our distinguished colleague said, but he was talking about the Guard unit in Arkansas being equipped with F-100's.

The Guard unit in North Dakota is equipped with F-4's. I would suspect the Arkansas unit, as the North Dakota unit, has those planes in far better flying condition than they were several years ago when they were in the Regular Air Force units.

Mr. President, the point I think that needs to be made is that the readiness of this Nation can be accomplished far better if we put some of our newer weapons systems with the Guard and the Reserves and we then do not have the need to add more and more personnel in the Regular Forces.

I am sure the Air Guard from Arkansas is as competent as the one in North Dakota—no, it would be tough to be as competent, Mr. President, as the one in North Dakota. But the one in North Dakota is the one that won the William Tell shootout from the regular blue shirters year after year. They are better equipped, they are better flyers, and they do a better job.

One of the big problems we have in procurement is taking the bugs out of the F-16's, F-15's, and F-18's. The Guard debugs the old planes after the Air Force says they are too old to fly, and they make them pretty efficient flying units.

It would make a lot more sense, Mr. President, to follow the suggestion of the distinguished Senator from Arkansas to follow along the suggestion I made time and time again in our Defense Subcommittee, that we give some of this new equipment to the Guard, get them upgraded because they are, after all, our first line of defense, as they have been through the history of this Republic.

So, I hope that we can begin to make moves to allow increasing amounts of the newer weapons systems to be assigned to the Guard not only because of the better readiness that we will have but also because of the fact that it will save us tens of millions of dollars in personnel costs.

What good does it do to have a Guard that is ready, willing to go, well trained to go, but with substandard weaponry?

I salute my colleague from Arkansas. I join him in his remarks and urge that we emphasize our Guard and our Reserves and upgrade their weapons systems because it will add to the defense of this Nation and it will lower the net cost of that defense to the taxpayers.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I rise in support of this amendment, and as one of the authors of the amendment I am very interested in it.

In March 1981 I introduced a bill, S. 614, to create an Assistant Secretary of Defense for Reserve Affairs. It was not acted on during the 97th Congress.

The measure before the Senate now is a similar bill and is very important because it indicates congressional support for the total force policy that was established 12 years ago.

The designation of an assistant secretary position is supported by the National Guard Association of the United States and Reserve Officers Association of the United States.

In 1967, as a part of the Reserve Bill of Rights, Congress created a Deputy Assistant Secretary of Defense for Reserve Affairs. Congress intended for this position to be a strong voice for our Reserve components and Congress specified three important criteria for this position.

First, access to the Secretary of Defense, which is important; second, he should be the responsible spokesman for Reserve matters; third, to see to it that the needs of the Reserve components are met in order to insure that they are an integral part of our national defense effort.

Mr. President, these conditions provided in the statute have not been met.

It is now clear that a position at the assistant secretarial level should be created. In other words, this deputy assistant has not been able to do the job. Whether it is the Pentagon that is responsible or who is responsible they have not done the job.

The National Guard Association, the Reserve Officers Association, and other Reserve groups are interested in seeing the job done. They have got to have somebody with sufficient prestige and at a level high enough to confer with the Defense Secretary himself. This deputy has not been able to do that. That is the reason why we need to have an Assistant Secretary of Defense at that level and with that prestige who can accomplish the results desired.

In 1971 the total force policy came into being, and it was our Nation's declared policy that greater reliance would be placed on our Reserve components.

Are we going to put greater reliance on them and hold them responsible? How can they deliver the goods, how can they perform their responsibilities, if they do not have a spokesman in the Pentagon in order to confer at the highest levels to get the results desired?

Mr. President, dependence on the Reserve has increased as time has gone by, and we can put National Guardsmen—can support them, for about one-third to one-fifth the cost of a regular.

We are proud of our regulars. At the same time the country just does not have the financial resources to keep a large Regular Force, and we have to keep this citizen soldier force, and we can do it more cheaply and, I think, it is very essential that we do this. In order to do this and get results, we have got to have a man in the Pentagon who will have the ear of the Secretary of Defense and will have the opportunity to confer with him personally and present the cause of the National Guard and the Reserves.

So far this has not been done, and, therefore, Mr. President, the next logical step, I think, is to designate one of the assistant secretaries' positions as that for reserve affairs, and I strongly recommend the Senate adopt this course.

Mr. McCLURE. Mr. President, I ask unanimous consent that my name may be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, without taking further time of the Senate, I endorse all of the remarks of all my colleagues.

Mr. WARNER. Mr. President, I would like to add a few additional facts. The Department of Defense request was for 37,000 individuals in fiscal 1984 for the Reserve and National Guard. The recommendation of the Armed Services Committee upped that by 9,000, so we have a total growth of 46,000 individuals in fiscal years 1983 and 1984.

So with the impetus or the interest in Congress we are beginning to see motion for growth and greater recognition within the Department of Defense. Therefore, I believe this amendment is consistent with that movement.

Mr. President, at this time I ask unanimous consent that this matter might be laid to one side until such time as we have consulted with the leadership of the Senate as to how to proceed further.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, much of the debate in the last day or day and a half has focused on the U.S. missile program. You cannot look at the U.S. missile program without understanding what kind of a threat it is that we seek to respond to in the world. We cannot look at the threat without looiking at the Soviet Union and its missile program, and you cannot understand the balance between the two countries without looking at past treaty arrangements between our Nation and theirs.

Mr. President, over the past several months I have pointed out numerous violations and circumventions by the Soviet Union concerning arms control treaties. By thoroughly documenting the pattern of violations by the Soviet Union, I hope to strengthen the process of verification, and thereby uphold the integrity of the arms control treaties. While the United States has assiduously abided by the guidelines in the strategic arms control treaties, the same cannot be said for the Soviet Union. As evidence, the strategic arms limitation treaties, SALT I and II, provide specific ceiling on the number of launchers for intercontinental ballistic missiles, ICBM's.

Under the SALT I Interim Agreement of 1972, the Soviets are allowed 1,397 launchers for ICBM's. Under the SALT II Treaty, the Soviets are allowed 2,250 missile launchers and bombers.

However, 18 Soviet SS-9 ICBM's were never counted in either the SALT I or SALT II totals. Consequently these extra Soviet ICBM's violate SALT I and SALT II because they are part of the Soviet operational ICBM force.

The proof of the Soviet SALT I and SALT II violation is contained in the U.S. SALT II Treaty document. In the State Department's June 1979 analysis of the SALT II Treaty, the Carter administration describes:

> . . . eighteen Soviet launchers located at the Tyuratam test range, which the Soviet Union stated were test and training launchers associated with fractional orbital missiles, but which the United States assessed to be part of the operational SS-9 missile force.

The Soviets have kept these 18 SS-9 ICBM's operational. The missiles are thus ongoing violations of the SALT I and II ICBM ceilings.

Moreover, they circumvent the 1967 United Nations Treaty prohibiting nuclear weapons from being deployed in space orbits. The Soviet SS-9 fractional orbital missiles give the Soviets the capability to violate this treaty instantaneously, thereby constituting a circumvention of the spirit and purpose of the treaty.

In the days and months ahead, I will continue to document violations and circumventions by the Soviets. Only by making this material available to my colleagues and to the public, can the United States hope to rebuild the arms control process.

Mr. JEPSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. JEPSEN. Mr. President, I ask unanimous consent that Senators NICKLES, BUMPERS, HELMS, and MATTINGLY be added as cosponsors to my amendment to provide for the upgrading to assistant secretary.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEPSEN. Mr. President, at this time I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JEPSEN. Mr. President, at this time, until the return of the majority leader and the floor leader for the defense authorization bill, I ask that it be postponed.

The PRESIDING OFFICER. Is the Senator asking unanimous consent?

Mr. JEPSEN. I ask unanimous consent to set aside the amendment.

Mr. KENNEDY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JEPSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistance legislative clerk proceeded to call the roll.

Mr. JEPSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the amendment be set aside.

Mr. JEPSEN. Mr. President, we were in a quorum call and I asked unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. That was granted.

Mr. JEPSEN. I ask unanimous consent that the amendment be temporarily set aside.

The PRESIDING OFFICER. Very well. The Chair cannot hear Senators who do not use their microphone.

Without objection, it is so ordered.

AMENDMENT NO. 1499

(Purpose: To restrict the availability of funds to countries not taking adequate measures to control illegal drug trafficking)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Georgia (Mr. MATTINGLY) proposes an amendment numbered 1499.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place in the bill, add the following new section:
>
> RESTRICTION ON FUNDS TO COUNTRIES NOT TAKING ADEQUATE MEASURES TO CONTROL ILLEGAL DRUG TRAFFICKING
>
> SEC. . (a) None of the funds appropriated pursuant to an authorization contained in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—
>
> (1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application to such country of the prohibition contained in the first sentence; and
>
> (2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.
>
> (b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.

(Mr. JEPSEN assumed the chair.)

Mr. MATTINGLY. Mr. President, the amendment I am offering prohibits any of the funds authorized for appropriation in this bill to be made available to any nation that the President determines is not taking adequate measures to control the production, transportation, sale, or exportation of illegal drugs. The amendment is similar to the provision that I offered last year and that was accepted by the Senate on both the supplemental appropriations bill and the continuing resolution.

I applaud the efforts of the distinguished chairman of the Foreign Relations Committee, Senator PERCY, for

including such a provision in the Foreign Assistance Authorization Act that has been reported by his committee. I know of the efforts that have been made by many of my colleagues on both sides of the aisle in an attempt to stem the tide of illegal drugs entering this country.

Mr. President, I offer this amendment because I believe the drug problem that we face in this country poses a threat of enormous, and in many quarters, as yet unrecognized proportion.

The amendment does not affect the expenditure of any funds authorized in the bill unless the President determines that a nation is failing to take adequate measures to control illicit drugs. Once such a determination is made, a funding cutoff is imposed until the President has determined and reported to Congress that the affected nation has prepared and is implementing a plan aimed at eliminating the particular problem encountered in that nation, be it cultivation, transportation, sale, or any of the other steps that are taken along the illicit drug trail.

My amendment also contains a provision which allows the President to suspend implementation of this prohibition if he believes that to do otherwise would be contrary to the national security interests of the United States.

Such a provision is required, Mr. President, because, obviously, the intent of the amendment is not to place the President in a position where he would be forced to cut off funding in a manner harmful to U.S. interests: Rather, the intent of the amendment is to clearly signal to friend and foe alike that the Government of the United States has elevated to a position of highest priority the efforts to eliminate the vast flow of illicit drugs into this country.

The 1980 gross sales of illicit drugs in America has been estimated at $80 billion. Even that figure shrinks when compared to the inestimable cost of the human tragedy that is wrought by these substances.

And, ominously, Mr. President, the problem is growing.

For example, the percentage of young Americans under the age of 25 who have used cocaine has risen from 8 percent in 1974 to 19.5 percent in 1982; 4.3 percent of the youngsters between the ages of 12 and 17 used cocaine in 1982; in 1974, the figure was 2.7 percent.

The nonmedical use of stimulants, sedatives, and tranquilizers has risen in all age groups. Marihuana is still used in enormous quantities.

A recent Justice Department survey revealed that almost a third—32 percent—of the inmates interviewed in State prisons said they were under the influence of an illegal drug when they committee their crime; 30 percent of the inmates said they used heroin, as compared to a figure of 2 percent for the public.

Marihuana, cited by some as harmless was used by 75 percent of the inmate population; 25 percent of all burglaries and 20 percent of all robberies were committed under the influence of marihuana.

Cocaine has become a $25 billion business and drug counselors estimate that 4 to 5 million Americans are regular uses. For every pound that is intercepted by the authorities, another 6 pounds find their way into the underground market.

Very few families in America, Mr. President, have been spared from some sort of contact with these substances. Few people are not familiar with the destruction that results from abuse and addiction.

So, Mr. President, I strongly believe that it is fitting that the Senate express its sentiments on this issue and proper action be taken on the largest authorization bill that we will consider.

The moneys being authorized in this bill are for the purpose of deterring conflict; for keeping the peace; for strenghtening America, and I intend to vote for the legislation. But we would be remiss, Mr. President, if we did not use this opportunity to express the sentiment of the U.S. Senate and recognize that all the money in the world will not buy deterrence or protection for a nation that will not take the necessary steps to rid itself of "a drug threat" that is as great as that posed by any foreign power.

I urge adoption of the amendment.

Mr. President, I ask unanimous consent that the Senator from Virginia (Mr. WARNER) and the Senator from South Carolina (Mr. THURMOND) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the RECORD be left open for those who would like to be added as cosponsors of this amendment for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RANDOLPH. Mr. President, I commend the able Senator from Georgia (Mr. MATTINGLY) for his amendments, of which I am a cosponsor.

The Senator focused attention on one of the most crucial problems facing the people of the United States and many, many other countries of a troubled world in which time and distance are compressed into a plague of growing, processing, shipping, and comsuming dread narcotics.

Mexican-American Inter-Parliamentary sessions were held a few days ago in Pueblo in our neighboring nations which borders on our southern States.

I joined Senators PERCY (chairman) and BINGAMAN and House Members for meaningful discussions in which we came to grips with the serious and damaging subject of drugs as well as the concerns we have on Central America, and our relation to the conflicts in El Salvador and in degree in Honduras and Nicaragua.

In the political committee I stressed the urgency of coping with the challenge of the increased production and usage of drugs.

Owing to our exchanges I advocated prompt and effective efforts by nations, especially the United States and Mexico.

Timid steps will not stamp out the trafficing in narcotics that sap the strength of countries, rip apart the functioning of governments and bring violence and death widespread across the Earth.

I predict that the problem will increase if we do not make an all out frontal attack on the stoppage of drug addictions, especially by our youth. This narcotics industry is illegal. We act today to strike a blow against this illicit trade, in which humanity itself is at stake.

● Mr. WARNER. Mr. President, I commend the distinguished Senator from Georgia on his amendment.

The debilitating and insidious effect of narcotics needs no elaboration or explanation in this forum. We must continue to make every effort to remove the availability of illegal drugs.

This amendment is an important step in that direction as it will encourage our allies to increase their efforts to prevent the cultivation, processing, or transportation of narcotics. Likewise, increased efforts will be devoted to reduce smuggling.

I urge support of this amendment. It will effectively augment attempts to reduce the adverse influence of narcotics in our society as well as serving to focus attention of other nations of the world on this scourge to mankind.●

Mr. THURMOND. Mr. President, we are willing to accept this amendment.

Mr. MATTINGLY. I asked for a rollcall vote, Mr. President.

Mr. THURMOND. Mr. President, I rise to endorse this amendment and I am pleased to cosponsor it.

I want to say that a large part of the crime committed in this country today is caused from drugs. I read some statistics a few days ago indicating that in one place, about one-fourth of the murders that were committed grew out of the use of drugs by some of the participants.

Mr. President, in my opinion we have an obligation in this country to do everything we can to stop this drug traffic. I do not know of anything that would do our young people more harm and harm older people, so far as that does, than the use of drugs. They get hooked on them and then in order to get the money to buy those drugs, and it takes more and more as time goes by, they will commit crimes, they will rob, they will steal, and commit other crimes, in order to continue their ability to purchase these drugs.

I think this is a very worthwhile amendment, and I feel it will help curb the drug use in this country. It will get the cooperation of other countries which we have not had heretofore. I highly endorse it and hope the Senate will accept it.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Georgia (Mr. MATTINGLY). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Nebraska (Mr. ZORINSKY) are necesssarily absent.

I further announce that, if present and voting, the Senator from Illinois, (Mr. DIXON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—91

Abdnor	Eagleton	Levin
Andrews	East	Long
Armstrong	Exon	Lugar
Baker	Ford	Mathias
Baucus	Garn	Matsunaga
Bentsen	Gorton	Mattingly
Biden	Grassley	McClure
Bingaman	Hart	Melcher
Boren	Hatch	Metzenbaum
Boschwitz	Hatfield	Mitchell
Bradley	Hawkins	Moynihan
Bumpers	Hecht	Murkowski
Burdick	Heinz	Nickles
Byrd	Helms	Nunn
Chafee	Huddleston	Packwood
Chiles	Humphrey	Pell
Cochran	Inouye	Pressler
Cohen	Jackson	Proxmire
D'Amato	Jepsen	Pryor
Danforth	Johnston	Quayle
DeConcini	Kassebaum	Randolph
Denton	Kasten	Riegle
Dodd	Kennedy	Roth
Dole	Lautenberg	Rudman
Domenici	Laxalt	Sarbanes
Durenberger	Leahy	Sasser
Simpson	Thurmond	Warner
Specter	Tower	Weicker
Stafford	Trible	Wilson
Stennis	Tsongas	
Stevens	Wallop	

NOT VOTING—9

Cranston	Goldwater	Percy
Dixon	Heflin	Symms
Glenn	Hollings	Zorinsky

So Mr. MATTINGLY's amendment (No. 1499) was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1498

Mr. TOWER. Mr. President, it is my understanding that the question now recurs on the amendment of the Senator from Iowa. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. TOWER. I suggest that we go ahead and dispose of that amendment right now while Senators are on the floor and then proceed to further debate. The yeas and nays, I understand, have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The acting assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio Mr. GLENN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. DIXON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—91

Abdnor	D'Amato	Hawkins
Andrews	Danforth	Hecht
Armstrong	DeConcini	Heinz
Baker	Denton	Helms
Baucus	Dodd	Huddleston
Bentsen	Dole	Humphrey
Biden	Domenici	Inouye
Bingaman	Durenberger	Jackson
Boren	Eagleton	Jepsen
Boschwitz	East	Johnston
Bradley	Exon	Kassebaum
Bumpers	Ford	Kasten
Burdick	Garn	Kennedy
Byrd	Gorton	Lautenberg
Chafee	Grassley	Laxalt
Chiles	Hart	Leahy
Cochran	Hatch	Levin
Cohen	Hatfield	Long
Lugar	Pell	Stafford
Mathias	Pressler	Stennis
Matsunaga	Proxmire	Stevens
Mattingly	Pryor	Thurmond
McClure	Quayle	Tower
Melcher	Randolph	Trible
Metzenbaum	Riegle	Tsongas
Mitchell	Roth	Wallop
Moynihan	Rudman	Warner
Murkowski	Sarbanes	Weicker
Nickles	Sasser	Wilson
Nunn	Simpson	
Packwood	Specter	

NOT VOTING—9

Cranston	Goldwater	Percy
Dixon	Heflin	Symms
Glenn	Hollings	Zorinsky

So Mr. JEPSEN's amendment (No. 1498) was agreed to.

Mr. COHEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas had asked for recognition a long time ago. For what purpose does the Senator from Nebraska desire recognition?

Mr. EXON. I request recognition as a Member of the U.S. Senate I would advise the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I ask unanimous consent to be permitted to yield to the Senator from Nebraska—Senator EXON, 2 minutes without losing my right to the floor. [Laughter.]

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska.

Mr. EXON. I am a U.S. Senator, the name is EXON, E-x-o-n, and it is pronounced E-x-u-n. [Laughter.] I thank the Chair for recognition and I thank my friend from Arizona for his consideration. [Laughter.]

I am going to take 2 minutes to make a point that I think it is about time should be made in the U.S. Senate. I say this without casting any aspersion whatsoever on the leadership of the Senate on either side of the aisle or on any Member of the U.S. Senate. They are all friends of mine, and I have high respect for them.

I simply rise to say once again I think it is about time that we break out of the mold of running the U.S. Senate as if it were the Toonerville Trolley.

I would simply point out that we have just had two votes that consumed more than an hour of the time of the U.S. Senate, and on each vote the vote was 88-to-0 or 90-to-0, two cases in a row.

I would simply cite that this week we have been here once until 1:15 in the morning, until almost 10 o'clock last night, and we are going to be required because of the circumstances to

be here on Saturday, which is somewhat unusual.

I am simply making the point, Mr. President, that I as one Member of the Senate would hope that all of us—we share in this responsibility—could realize and recognize that under the circumstances that exist now we should be moving along. The main delay of the U.S. Senate now is not any filibuster or extended debate; it is the fact that we are not moving as aggressively as we should.

I would suggest once again, as I have on many occasions as I have from this desk in the past, that we must do something, it seems to me, about needless votes where both the majority and minority have accepted an amendment and then we insist on a vote.

I make this statement with regard to the last vote on which I was a principal cosponsor and requested we not have a rollcall vote.

I simply say that most of us, all of us, have more to do than to come over here in exercises of futility to have rollcall votes that are meaningless.

I simply say once again to the leadership of the Senate and all my colleagues I think we look less than effective, less than efficient, in the way we go about our business and the timing of all this, especially with regard to making the best use of our time as United States Senators.

I yield back to my friend from Arkansas with my thanks.

(Mr. WILSON assumed the chair.)

Mr. BUMPERS. Mr. President, I want to echo the remarks of the Senator from Nebraska who has stated so well a matter that has become of concern to all of us, and that is the time taken by rollcalls and the delay that has imposed upon us.

I know some Senators have to leave town tonight. I know the majority leader feels that he is obligated to a Saturday session, and so be it. I am not quarreling with that. I am one of the people who have to leave. I wish I did not. I cancelled some commitments so that I could stay today.

There are at least two amendments which hopefully we can vote on here before we quit tonight. But I feel obligated, and with a sense of responsibility, to speak on the issue of the MX for fear I might not get another chance.

I want to say that my interest in speaking is not to delay, not to take up the time of the Senate, but to debate in the most thoughtful way I know one of the most serious issues that has been presented to this body since I have been here, and that is 8½ years.

I do not know how one convinces Members of the Senate in a debate such as this, with the magnitude of the issue, when we all necessarily are forced to repeat so many of the same arguments.

I do not know that I can say anything new about the MX—I might say it differently, I might say it more passionately, maybe with as much or more conviction than some of my colleagues who feel strongly about the issue—but this issue ought to be thoroughly aired—and I speak not because I think my side will win and the funds for the MX will be deleted, but I say it because as a Senator I feel a grave responsibility to at least air the issue for the American people if not for the U.S. Senate.

One of these days my children and my yet unborn grandchildren are going to be going through the archives at the University of Arkansas at Little Rock to look over my papers, and I hope in the course of their research into what their father and grandfather stood for in the U.S. Senate that what I have to say on the MX issue will literally jump out from the black on the paper into their minds.

I want them to be very proud that they took the time to even research the archives, if they live that long, to know their father and their grandfather stood for something, and that was, if nothing else, peace on Earth.

When you repeat these arguments time and again, they sometimes get lost. I have talked to survivors of the Jewish Holocaust who have said that in their more reflective moments, when they had the opportunity, they could not believe how routine a subhuman existence could become and how they demeaned themselves almost routinely. Such behavior became sort of an accepted fact; one tried to survive as best one could, and yet the most subhuman existence perhaps ever known in the history of man became routine.

We have been talking about the MX missile for so long now, and so many people have dug themselves into a position, that they feel incapable politically and intellectually of extricating themselves from stands that in their more reflective moments they cannot possibly feel comfortable with.

This issue is not a question of whether the Soviet Union has a margin of superiority or not. There is not any measurement that I can think of or which anybody could sensibly vote for this except a numerical comparison, and in a moment I hope to be able to address the issue in such a way that you cannot possibly believe that numbers make any significant difference.

Is it not interesting, I guess it was about 1956, that then President Eisenhower asked his Joint Chiefs of Staff to do a memo for him on the possibility of a preemptive nuclear strike against the Soviet Union?

The Chiefs studied it for some time. They reported back that we had 400 nuclear weapons—at that time they were all in the form of bombs which would have to be delivered by aircraft—and the Soviet Union had four. We had a numerical margin of superiority of 100 to 1.

What do you think the Joint Chiefs reported back to the President? That it would be very risky to launch a preemptive attack against the Soviet Union because they were not sure that they could destroy those four Soviet nuclear weapons.

And yet today, we possess about 10,000 strategic nuclear weapons, not one of which is smaller than any of the 400 weapons we had at that time, and the Soviet Union has about 8,000.

The Soviets have more throw weight and they have more megatonnage, but can you believe that the chief planners of the strategic forces of the Soviet Union are sitting down and saying, "We believe that we can launch a preemptive strike against the United States and take out 350 B-52 bombers, catch all of them on the ground and destroy them and all the nuclear weapons on board; destroy all 1,047 ICBM's"—16 of which are located in my State—and destroy all 41 of our SSBN's, our submarines that have the ability to launch intercontinental nuclear missiles against the Soviet Union?

Do you believe, in light of what the Joint Chiefs said in 1956, that somebody is planning a launch against us and assumes that they can win that war? That is not a doctrine of ours. Until we started debating the MX, we have never considered—at least in modern times—what we call launch on warning whereby you get strategic warning that the Soviet Union is about to launch and you launch. We have never had, as a part of our military doctrine that I know anything about, even a policy of launch under attack. And that is where your computers tell you that the Soviets have fired their missiles and that some warheads have detonated on U.S. soil, and therefore you fire while some of theirs are in the air coming at you and while we still have some left to launch.

I can recall back before I came up here and got educated, I thought, "Why, the President would just have to be a fool to sit on his hands knowing that the Soviet Union had fired missiles at us." And I used to say, "Well, now, unless the President just turns into a bowl of Pablum, he is certainly going to launch if he knows the Soviet Union has already launched."

But after I got here and I realized that our computers and our warning system is not absolutely perfect, I found that such thinking could be very dangerous.

I do not know whether this is true or not, but I heard that we had a large number of false alerts last year—alerts where our computers told us the Soviets may be ready to launch.

I had a very high-ranking Pentagon official tell me 4 years ago that he was awakened at 3 o'clock in the morning and told that there were 1,000 Soviet missiles on the way toward the United States. And he said, euphemistically, of course, "Messages like that will ruin your whole night." [Laughter.]

I went to see a movie the other night because my daughter wanted me to see it, called War Games. I highly recommend that to everybody in the Senate.

This is the movie about a 16-year-old kid who has a personal computer in his home and he and his girlfriend are tapping and pecking on it. And he is a bright kid. He understands those things. I do not.

If you do not ever feel inferior, just talk to some 16-year-old kid that has a personal computer and let him try to explain it to you. And if he does not lose you in 60 seconds, consider yourself an intellectual giant.

In any case, he got to tapping around on this computer, and the first thing you know he is wired into all the computers at NORAD. And they sound alarms and the bells go off and everything.

To tell you the truth, I do not want to talk much further about it because I am not sure I even understood the movie that well.

But I do know that all those giant screens at NORAD displayed Soviet missiles coming into the United States and they were trying to get the President.

Have you ever thought about what a comedy of errors it would be if we had a 20-minute warning that the Soviets had launched, and they were trying to get the President out to that big command plane out at Andrews Air Force Base? Why, he would not have any more chance of getting there than the man in the moon. Those are the kinds of games we play.

But to get back to the doctrine, we have never had a preemptive or early launch policy as a part of our doctrine because we do not trust our warning system enough to say that we should launch on warning.

Once we start changing that doctrine, and say, "Yes, we will launch on warning or we will launch under attack," we will have lowered the threshold of war and created what strategic planners would call a hair trigger situation. And if there is anything Members of the U.S. Senate do not want, if there is anything every single Member of Congress does not want, it is a hair trigger situation. You lower the threshold of war. You enchance the chances of nuclear war.

But, when you put your best missile, your most expensive missile, your most powerful missile, in a static position—a non-hardened silo that the Soviets know they can destroy—then you get into the position, which George Shultz seemed to happily announce one night on the evening news, of moving toward a doctrine of "use 'em or lose 'em."

And what does "use 'em or lose 'em" mean? Well, that means you do not want them to be destroyed and, therefore, you will launch them to keep from losing them. And that is a hair-trigger situation.

In 1980, when then candidate, now President, Reagan was touring this country, he talked about the so-called racetrack system that Harold Brown and President Carter and Bill Perry said was the only survivable way to deploy a mobile missile. This was in Nevada and Utah. And he made fun of it. He said, "This is the most laughable piece of trash I have ever looked at."

Well, I did not think it was laughable. When you are talking about nuclear weapons, I never think that is funny, for some reason or the other.

But I also admired the people of Utah and Nevada for not wanting two things: No. 1, not wanting the possibility of 4,000 Soviet missiles hitting their States, and, No. 2, I do not blame them for not wanting their States dug up during the construction process.

I will tell you one thing, if they tried to dig up my State the way the racetrack plan would have dug up Nevada and Utah, I would have been squealing like a pig under a gate, just like they did. And I do not blame them for going to the mat on the issue.

But as detestable as that whole thing was, I was for it. I was for it only if we were going to insist on building a mobile missile, because that was the only possible scenario I could see for that missile to be survivable.

The reason we wanted the MX to begin with is that it had two qualities that we were not sure any other strategic system we had possessed, except our submarines. We consider our submarines invulnerable. But those 1,000 ICBM's are just sitting out there like sitting ducks. We wanted the MX for two things: Because it was mobile, and, therefore, No. 2, it was survivable.

But Presidential-candidate Reagan said, "This is outrageous. We will never deploy the MX missile in this racetrack mode."

There is another note I want to make. The only way I would have supported that thing out west, the racetrack system, was if we had gotten a SALT II treaty. If we did not have a treaty with the Soviet Union they could have overwhelmed the racetrack basing mode. It would have required 4,000 warheads to destroy that racetrack system. That would have been no problem. The Soviets could have done it. Unless we had a treaty limiting the number of missile warheads they could have, they could overwhelm that system.

A second thing the President said when he was running in 1980 was that the SALT II Treaty was fatally flawed. He said it gave the Soviet Union more than it gave us.

You know, I challenge the President sometimes when I disagree with him. but I want to establish my credibility by sometimes agreeing with him. About a year ago he said he changed his mind and he said the SALT II Treaty was a good treaty after all, "and we are going to abide by it if the Soviets will." For the past year or year and a half we have been doing exactly that.

Mr. BYRD. Will the Senator yield?

Mr. BUMPERS. I will yield to the Senator from West Virginia.

Mr. BYRD. Did the President say the same thing with regard to the Panama Treaty? Did he not say that as long as Panama lived up to the provisions of the treaty, he would honor it?

Mr. BUMPERS. Yes.

Did the Senator from West Virginia wish to offer an amendment?

Mr. BYRD. At some point I would like to do that. I do not want to interrupt the Senator for that purpose.

Mr. BUMPERS. I am just getting warmed up.

Mr. BYRD. If the Senator will allow me to interrupt, without his being charged with a second speech, I would like to go ahead.

Mr. BUMPERS. I ask unanimous consent that I may yield under that condition.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1500

(Purpose: To authorize the presentation on behalf of the Congress of a specially struck bronze medal to the families of American personnel missing or otherwise unaccounted for in Southeast Asia)

Mr. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD), for himself, Mr. JACKSON, Mr. GARN, Mr. BENTSEN, Mr. COCHRAN, Mr. RANDOLPH, Mr. COHEN, Mr. CRANSTON, Mr. DURENBERGER, Mr. EXON, Mr. HART, Mr. INOUYE, Mr. JOHNSTON, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. NICKLES, Mr. NUNN, Mr. SASSER, Mr. STENNIS, Mr. THURMOND, Mr. GLENN, Mr. DODD, Mr. TSONGAS, Mr. ZORINSKY, Mr. BIDEN, Mr. MITCHELL, Mr. LEAHY, Mr. FORD, Mr. BINGAMAN, Mr. WILSON, Mr. BUMPERS, Mr. PELL, Mr. METZENBAUM, Mr. RUDMAN, Mr. LEVIN, Mr. DOMENICI, Mr. BAUCUS, Mr. MURKOWSKI, Mr. BOREN, and Mr. PERCY proposes an amendment numbered 1500.

Mr. BYRD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

COMMEMORATIVE MEDAL FOR FAMILIES OF AMERICAN PERSONNEL MISSING IN SOUTHEAST ASIA

SEC. . (a) The Congress finds and declares that—

(1) 2,494 Americans, military and civilian, are listed as missing or otherwise unaccounted for in Southeast Asia;

(2) those missing or otherwise unaccounted for Americans have suffered untold hardship at the hands of a cruel enemy while in the service of their country;

(3) the families of those Americans retain the hope that they will return home, and the loyalty, hope, love, and courage of these families inspire all Americans;

(4) the Congress and the people of the United States are committed to a full accounting for, and release of, all Americans missing or otherwise unaccounted for in Southeast Asia: and

(5) the service of those missing and otherwise unaccounted for Americans is deserving of special recognition by the Congress and all Americans.

(b)(1)(A) The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized jointly to present, on behalf of the Congress, to those American personnel listed as missing or otherwise unaccounted for in Southeast Asia, to be accepted by next of kin, bronze medals designed by an artist who is an in-theater Vietnam veteran, in recognition of the distinguished service, heroism, and sacrifice of these personnel, and the commitment of the American people to their return. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be stricken bronze medals.

(B) There is authorized to be appropriated not to exceed $20,000 to carry out the provisions of subparagraph (A).

(2) The Secretary of the Treasury may cause miniature duplicates in bronze to be coined and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor, materials, dies, use of machinery, and overhead expenses), and the appropriation used for carrying out the provisions of this subsection shall be reimbursed out of the proceeds of such sale.

(3) The medals provided for in this subsection are national medals for the purpose of section 5111 of title 31, United States Code.

Mr. BYRD. Mr. President, this amendment is offered on behalf of myself and Senators JACKSON, GARN, BENTSEN, COCHRAN, RANDOLPH, COHEN, CRANSTON, DURENBERGER, EXON, HART, INOUYE, JOHNSTON, LAUTENBERG, MOYNIHAN, NICKLES, NUNN, SASSER, STENNIS, THURMOND, GLENN, DODD, TSONGAS, ZORINSKY, BIDEN, MITCHELL, LEAHY, FORD, BINGAMAN, WILSON, BUMPERS, PELL, METZENBAUM, RUDMAN, LEVIN, DOMENICI, BAUCUS, MURKOWSKI, and BOREN.

Mr. President, the amendment would provide for the striking of a bronze medal honoring our men and women missing in action in Southeast Asia to be presented to the families.

America is a nation with farflung interests and commitments in all major regions of the globe. As a great power, America today is exercising her responsibilities with particular focus on Central America, the Middle East, NATO, and Soviet relations. Over time, our Nation's interests shift to meet the challenges of the moment. This is in the nature of things, of course, but in executing such shifts in national attention, our collective national memory is too short. Such is the case with reference to Southeast Asia.

It is perhaps inevitable that the stinging disappointments that we experienced in the prolonged Vietnam conflict have resulted in a serious lack of attention to the human tragedy that now engulfs the states of what was formerly called Indochina—Vietnam, Laos and Cambodia. It is important that we remind ourselves that America always has been, and remains an Asian power with important military and commercial interests across the arc of the Pacific. It is important that we maintain a sense of responsibility to that region: An adequate level of awareness of events; an awareness of the interests of our Asian allies in maintaining a sufficient level of involvement there; and a commitment to America's unfinished business.

At the top of the list of America's unfinished business is the matter of the over 2,400 missing in action—both civilian and military—in the Vietnam theatre.

Mr. President, 2,494 Americans are listed by the Department of Defense as "missing or otherwise unaccounted for" in Southeast Asia. This list includes military and civilian personnel, men and women, all in the service of their country. I have before me a copy of that list. Seeing so many names is a numbing experience. As I look through page after page of these names, the obvious questions arise. Where are these men and women? Are some of these Americans alive? Are they being held prisoner? Of those who have died, where are their remains? This list raises many questions, some of which will never be answered. Yet, eight years after the end of American military involvement in Southeast Asia, we have very few answers. We are left with gnawing doubts, uncertainty, and pain.

These doubts and pain are most acutely felt by the families of those missing. Through the uncertainty, they retain remarkable strength of spirit. They have organized vigils, met with officials, written countless letters and articles—all to the end that their fellow Americans not forget their loved ones, and that efforts to obtain their release, if they are living, be intensified. I am not satisfied that the country has shown sufficient resolve in insisting upon a full accounting of those missing. But I want to call upon my colleagues to redouble their efforts, to urge the administration to do all it can do, so that the families of those brave Americans will no longer need to live with uncertainties. Organizations such as the National League of Families of POW/MIA's, the Vietnam Veterans Institute, the American Legion, the Veterans of Foreign Wars and others have done a great service by the commitment of their membership to resolution of this issue. I know we all benefit from the example of love and devotion that the families and friends of those missing provide.

It is incumbent upon the Congress to call attention to this issue. I can think of no more fitting way to accomplish this than by striking a special commemorative national medal to be awarded to those missing or otherwise unaccounted for, and to be presented to their families by the Congress. Therefore, I am offering this amendment, on behalf of myself and others whose names I have mentioned, to authorize a national commemorative medal in recognition of the sacrifice and untold hardships endured by those missing.

I ask for the adoption of this amendment.

It has been discussed with the managers of the bill on both sides of the aisle.

Mr. BUMPERS. Will the Senator add me as a cosponsor?

Mr. BYRD. Yes, I will. I thank the Senator.

Mr. President, I ask unanimous consent that the Senator from Arkansas be added as a cosponsor.

Mr. STENNIS. Mr. President, I ask unanimous consent that my name be added to the leader's amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I am most pleased to join in strong support of this amendment. I am already a cosponsor of S. 1541, which would authorize the presentation of a specially struck bronze medal to the families of American personnel missing or otherwise unaccounted for in Southeast Asia. Earlier this week, I, myself, introduced a resolution to declare April 9, 1984, a special day of recognition for our prisoners of war and those missing in action.

The families of those who are missing have suffered much. They have borne the separation from their loved ones; they have endured the uncertainty surrounding the fate of those who are missing. And those who are missing have made the supreme sacrifice for our country.

It is most fitting that we honor the sacrifices that these men and their families have made. The medals which this amendment authorizes will go to each family of an American who is still missing or unaccounted for in Southeast Asia. They represent the gratitude that the American people feel for the dedication and courage that these families and their loved ones have displayed.

At the same time, Mr. President, let me express my strong belief that our

Government must continue to do everything it can to achieve a full accounting for every American who remains unaccounted for in Southeast Asia. We must pursue every available option in this quest. We simply cannot rest until we have obtained a full accounting for every single American.

Once again, Mr. President, I am proud to endorse the amendment of the Senator from West Virginia. The presentation of these medals is a necessary recognition of the price those missing in action and their families have paid in service to our Nation.

Mr. BYRD. I thank the distinguished Senator from Mississippi.

Mr. President, I ask unanimous consent that Mr. TSONGAS be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. TSONGAS. Mr. President, I support the amendment introduced by the Senator from West Virginia. This legislation is intended to symbolize our commitment to the hope and efforts that the 4,494 men and women—both civilian and military—listed as missing or unaccounted for in Southeast Asia will return home.

The amendment calls for a national bronze medal to be designed and struck, in recognition of the distinguished service, heroism, and sacrifice of these individuals. The medal would be reproduced and presented to the next of kin of each person listed as missing in action.

The war in Southeast Asia was a very painful experience for all Americans. The families of POW's and MIA's have suffered and continue to suffer an even greater hardship. I have supported the efforts of our Government to secure the release and return of all POW's and MIA's.

The striking of the medal expresses the commitment of the United States to a full accounting for, and release of, all Americans missing or otherwise unaccounted for in Southeast Asia. I believe it is altogether fitting and appropriate that we not only make bronze symbols to express our commitment, but also seek diplomatic relations with our former foes as an essential step in securing the release of any possible POW's or MIA's.

Mr. President, I ask that I be listed as a cosponsor of this amendment.●

Mr. BIDEN. Will the Senator yield?

Mr. BYRD. Yes, Mr. President, I yield.

Mr. BIDEN. Mr. President, we all know very well that there is nothing this Congress can do directly to heal the emotional wounds and satisfy the moral outrage of the families of those missing in action or otherwise unaccounted for during the war in Vietnam. Their long, unresolved grief can be assuaged only when we have arrived at a full accounting for those missing Americans with the Vietnamese.

We cannot ask them to accept a bronze medal, no matter how compassionately intended by Congress, as a substitute for that long-overdue accounting.

But, on behalf of the American people, Congress can and should recognize that these MIA families are still today bearing a heavy personal burden—and a sense of national responsibility—that the rest of the Nation has largely put aside with its unhappy memories of the Vietnam years.

Those families, as much as their missing loved ones, are casualties of that war. They deserve our sympathy—but more than that, they deserve our respect and our gratitude for their determination not to abandon the memory of those who are missing in the service of their country, and for their insistence that their country not forget.

These MIA families have kept their faith in America. They have sustained the honor of their country. They have held us all to account to our own consciences. They have been a model of patriotism and personal integrity, and they have earned this recognition by Congress.

Mr. President, I urge the adoption of this amendment for the award, on behalf of a grateful Nation, of a bronze medal to our MIA families. As they have refused to forget the sacrifice of their loved ones, so we must not forget their own pain and their enduring courage.

Mr. BYRD. Mr. President, I yield to the distinguished acting majority manager.

Mr. COHEN. Mr. President, I wish to associate myself with the remarks of the distinguished minority leader and say that this country simply cannot do enough for those families who suffer from the great doubt and conflict within themselves as to whether or not their sons are still alive and, indeed, entitled to a decent burial.

I commend the Senator for offering the amendment and say that it has been cleared on this side.

● Mr. NICKLES. Mr. President, I am most pleased for this opportunity to support my distinguished colleague from West Virginia in his efforts to call attention to the heroism and sacrifice of America's Vietnam soldiers who are still missing or otherwise unaccounted for from the Vietnam conflict.

The bill calls for a national bronze medal to be struck and presented to the next of kin of each missing personnel. I think it is very appropriate for the Congress of the United States to do this, thereby expressing to the families and friends of those missing soldiers that the American people do have them in their thoughts and prayers.

Mr. President, I am sure all of my colleagues join me in the desire that a full accounting of America's prisoners of war and missing in action can be achieved, and that we are committed to this goal.

I thank my good friend from West Virginia in bringing this expression of recognition of the continuing commitment of the United States to account for each and every missing person from the Vietnam conflict.●

● Mr. PRYOR. Mr. President, I am pleased to be a cosponsor of legislation that would call for a national bronze medal to be designed and struck, in recognition of the distinguished service, heroism, and sacrifice of the men and women who are still listed as missing in action in southeast Asia. I am proud to cosponsor and support this amendment by the distinguished Senator from West Virginia and I commend him for his efforts.

The service that these missing men and women have given this country is most deserving of this medal. Most of us probably have no idea of the hours that the families of these missing men and women have spent in silent prayer and constant vigil, living on hope.

The time has come to make this most appropriate recognition to the families of these missing soldiers and civilians.

I commend Senator BYRD for this amendment to honor these men and women whose service will never be forgotten.●

Mr. BYRD. Mr. President, ordinarily, I would not ask for the yeas and nays on an amendment that has been accepted by the managers. I have never done that so far as I can remember since I have been in the Senate. In this instance, however, because of the nature of the amendment and because I think there is a need to show the families of the missing men and women the degree of support there is for even this slight effort on our part, I do ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I inquire of the distinguished Senator from Arkansas, to whom, when I yield the floor, the recognition by the Chair has already been ordered, if he has any objection to the rollcall either now or later, when he has completed his remarks.

Mr. BUMPERS. If the Senator from West Virginia has no objection, I would like to finish my remarks. It would take about 10 or 15 minutes, then we can go to the rollcall.

Mr. BYRD. I think that would be perfectly appropriate.

Mr. President, I ask unanimous consent that the rollcall vote which has been ordered on this amendment not occur until after the Senator from Arkansas has relinquished the floor.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Reserving the right to object, Mr. President, can we have the assurance of the Senator from Arkansas that he will not proceed for longer than, say, 15 minutes? I do not mean to hold him to a time limit.

Mr. BUMPERS. I think I can finish in 15 minutes, Mr. President. If I have not, I shall quit.

Mr. TOWER. Then I have no objection, Mr. President.

The PRESIDING OFFICER. There being no objection, the Senator from Arkansas is recognized to complete his remarks, after which a rollcall vote will be taken on the amendment of the Senator from West Virginia.

Mr. BUMPERS. Mr. President, I was speaking of the President, and I was saying I applaud his suggestion that the SALT II treaty ought to be recognized by both the United States and the Soviet Union. Senators will recall that another thing candidate Reagan said in his campaign was that our ICBM's are vulnerable. We heard a lot about the window of vulnerability. I am not sure the American people were sure what the President was talking about when he talked about a window of vulnerability. What he was saying was simply that the Soviets have the capability to destroy a significant portion of our land-based missiles.

I do not know, we have never fought a nuclear war so I do not know how to evaluate the Soviet's purported ability to knock out all of our land-based missiles, or 95 percent of them, or 70 percent. You can get a different figure from any officer you talk to over at the Pentagon. Depending on the climate here, you get a different answer.

Secretary Weinberger said in testimony before the Armed Services Committee that the Soviets could knock out 95 percent of our land-based missiles if they launched a preemptive strike and we rode out the attack. The Air Force Chief of Staff testified before the same committee in April that they could only knock out 70 percent. I do not know who is right or who is wrong, and I hope I never find out. But we do not hear anything more about the window of vulnerability, because we want to put the MX missiles in the same silos that were vulnerable, according to President Reagan, in 1980. If they were vulnerable then, they are vulnerable now.

They are vulnerable. If the Soviets launch and we ride out the attack, they are going to destroy a lot of our missiles. Nobody knows how many. That is the reason, incidentally, that I favor the Trident submarine program, because the least vulnerable mode we have for deploying missiles that assure us a retaliatory capability against the Soviet Union is in our submarines.

Those silos are vulnerable now and they will be vulnerable after we spend $18 to $30 million putting MX missiles in them.

The President said something has changed. But before I get into that, he also said he needs the MX for a bargaining chip. I never have liked the idea of bargaining chips. If we are going to put these missiles into a vulnerable mode, why would the Soviet Union bargain with us on them? If they can knock out the Minutemen that are in the silos right now, they can knock out the MX when we put it in there. So why would they bargain?

Here is what Secretary Weinberger said on "Good Morning America," May 16:

> The question is not whether it is a bargaining chip. Nobody ever suggested that it was a bargaining chip. It is a part of our modernizaton program.

He should have checked with the President, because the President has, indeed, said time and time again that he needs the MX for a bargaining chip.

The only problem we have is that he has consistently refused to tell Senator NUNN and Senator COHEN what he is willing to bargain for.

Here is what the Secretary of Defense, Caspar Weinberger, said on January 6, 1981, about the vulnerability of our missiles:

> I would feel that somebody putting the MX into existing silos would not answer two or three concerns that I have; namely, that the location of these are well known and are not hardened sufficiently, nor could they be, to be of sufficient strategic value to count as a strategic improvement of our forces.

That is what Secretary Weinberger said 2½ years ago.

The Senate Armed Services Committee report last year, when it submitted their 1983 budget to this body, April 13, 1982, just a little over a year ago, said:

> The planned interim basing of the MX does not redress the problem of the vulnerability of the land-based ICBM forces. The $750 million for research and development on interim basing of the MX is denied. No further work is to be undertaken in support of fixed-point silo basing of the MX.

I agree with the distinguished Senator from Texas, the floor manager of this bill, for whom I have the utmost respect concerning his knowledge of military affairs, when he said:

> By stuffing the MX's into fixed silos we are creating just so many more sitting ducks for the Russians to shoot at.

I agreed then and I agree now. But what has happened? I am not going to quote all of the Senators of this body, which I happen to have here, saying that it is idiocy to put MX's in Minuteman silos. I am not going to quote all of them because a lot of them now favor putting the MX in fixed silos. But the question is, What has happened since all of those statements were made by a lot of the military experts in this body, what has happened since they said those things until the time we voted about a month or so ago to start flight testing and voting here today or Monday or Tuesday or whenever it is to go into production? One thing. Only one thing has happened. And that is the President appointed a commission called the Scowcroft Commission. He very carefully made sure that every member appointed favored the MX before they held their first meeting, and then he said, "Here is an impartial bipartisan commission. They are going to study this matter very carefully." And everybody knows that Brent Scowcroft is a very respected former general, and I respect him. He testified before the Appropriations Committee about that report, and I questioned him rather extensively within the limits of my time: General Scowcroft, if it was bad a year ago, if it was bad 2 years ago, if it was bad 3 years ago, to put our most expensive, most powerful missile into a fixed based silo that is not even hardened, just giving the Russian an invitation to attack why is it good today? Better still, why is it not still bad today? and he said, "Well, we felt that we have to show our national will."

We are going to show our national will.

Well, that is a poor way to do military planning. The way you do effective military planning is to show more than will. You show capability. You show good strategic planning, common-sense. You let the enemy know that you have some power. You do not fool the Soviet Union by saying we are going to do something stupid. Those people in the Kremlin did not just fall off a watermelon truck. They know what is going on in this country.

And that is all on God's green Earth that has happened since everybody in this body roundly denounced the MX plan we are about to approve 1 year ago, 2 years ago, 3 years ago.

If the President really believes in the SALT II treaty, where does this leave us? It leaves us, if we go to the Midgetman, in violation of SALT II. Everybody who has studied SALT II knows that we and the Soviets agreed that we would each build one new missile, or at least we would each have the right to build one new missile, and to modernize another missile within certain very carefully constrained limits.

The Scowcroft Commission said, put the MX into those silos that we presently have Minuteman in, No. 1. And, No. 2, follow that up with the so-called Midgetman, a small 30,000-pound missile with one warhead.

Strategic doctrine sometimes gets very esoteric and complicated. I

think—I do not want somebody quoting me a year or two from now—as of this moment that if we could get an arms treaty that would eliminate MIRV missiles and get small, mobile, invulnerable, Midgetman missiles with one warhead, we will at least raise the threshold for nuclear war very dramatically. And anything that will do that I am for.

But we cannot under the SALT II treaty build the MX missile and the Midgetman missile without violating that treaty. We cannot have it both ways.

Mr. President, I have a lot more to say and I assume maybe later I will get a chance to finish this, but when it comes to showing the national will, I wish we would just look at what we are doing. We have that Trident submarine under construction and we are going to continue to build it. We can put 200 warheads on one Trident submarine that is invulnerable for about one-eighth to one-tenth the cost of this MX program. We can put as many warheads on a Trident submarine—it would take five Trident submarines, maybe just four, depending on how many warheads we put on our Trident II or D-5 missile—for about half the cost of the MX. Think about this. Let me repeat this. If we really believe in modernizing our strategic forces, we can build five Trident submarines fully equipped even with the new D-5 missile for about half the cost of this MX program. The difference is that the Trident is invulnerable and the MX in these silos is as vulnerable as I am standing here before God Almighty.

What economic sense does the MX make? What military sense does it make? The answer is "none." Why, you can modernize the Minuteman III missile you have out there now and put almost as many warheads on them. They could have virtually the same hard target kill capability and we could put the same guidance system on them for half the cost of the MX. If we insist on building missiles that are vulnerable, just modernize the remaining 250 Minutemen we have that are not modernized—put three warheads on them. That will give us 750 warheads. And if only 5 percent of our warheads are going to survive anyway, what difference does it make? So we get 20 more warheads surviving for $20 billion.

Mr. President, I will close out by saying that, among other things, I used to farm. I used to have a cemetery, too. I sold my cemetery because I found out you cannot sell cemetery lots to healthy people. But the one thing I have done in my life that I enjoyed more than anything I have ever done and knew that I was enjoying at the time was to farm. My wife has said I am a professional malcontent. She said, "You are never happy with what you are doing." But the one thing she and I enjoyed more than anything else was farming. When I got out of law school, I was so poor, I thought if I can just ever get that split level and two station wagons in the garage and a nice farm full of registered cattle, the Lord will fulfill everything I could have ever expected. And you know, I got all those things and it did not make me as happy as I thought it was going to, and so I just jumped up and ran for Governor.

The one thing I did enjoy was farming and raising cattle and watching a newborn calf struggle to its feet, and I used to watch wolves as the Sun came up playing out in the meadow, and guess at what kind of bird it was that flew across the road. I loved it. But the one thing I noticed, whether it was a bird or an animal, whether it was a cow, whether it was a wolf, whether it was a raccoon, whatever, I noticed when a cow had a new calf, if you got too close, she would get awful mean; she was very protective. And do you ever watch birds like field larks who make their nest out in the meadows? If you get close to them they will jump up and fly and act like they are crippled; they try to distract your attention to protect their young. I have even watched wolves, who are normally frightened of man. They will run from men, but if you get close to their cubs even they will growl at you.

I am 57 years old. I know I do not look it and I do not feel it and I do not think it—and I resent it. But the truth of the matter is if I die tomorrow, once a poor, Southern-born country boy, I have more than anybody had any right to expect—more good fortune, more material gain, and above all, three children, all of whom I like to think are stable, commonsensical, bright, sensitive, caring people.

The only reason I thought of running for President is that I was concerned for their future, and the only reason I speak with the emotion and passion I speak with today is not for me but for them.

VOTE ON AMENDMENT NO. 1500

Mr. TOWER. Mr. President, does the question now occur on the amendment of the Senator from West Virginia (Mr. BYRD)?

The PRESIDING OFFICER. Yes.

Mr. TOWER. And the yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado (Mr. ARMSTRONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New Hampshire (Mr. HUMPHREY), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Missouri (Mr. EAGLETON), the Senator from Ohio (Mr. GLENN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. DIXON) would vote "yea."

The PRESIDING OFFICER (Mr. SPECTER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays, 0, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—88

Abdnor	Grassley	Murkowski
Andrews	Hart	Nickles
Baker	Hatch	Nunn
Baucus	Hatfield	Packwood
Bentsen	Hawkins	Pell
Biden	Hecht	Pressler
Bingaman	Heinz	Proxmire
Boren	Helms	Pryor
Boschwitz	Huddleston	Quayle
Bradley	Inouye	Randolph
Bumpers	Jackson	Riegle
Burdick	Jepsen	Roth
Byrd	Johnston	Rudman
Chafee	Kassebaum	Sarbanes
Chiles	Kasten	Sasser
Cochran	Kennedy	Simpson
Cohen	Lautenberg	Specter
D'Amato	Laxalt	Stafford
Danforth	Leahy	Stennis
DeConcini	Levin	Stevens
Denton	Long	Thurmond
Dodd	Lugar	Tower
Dole	Mathias	Trible
Domenici	Matsunaga	Tsongas
Durenberger	Mattingly	Wallop
East	McClure	Warner
Exon	Melcher	Weicker
Ford	Metzenbaum	Wilson
Garn	Mitchell	
Gorton	Moynihan	

NOT VOTING—12

Armstrong	Glenn	Humphrey
Cranston	Goldwater	Percy
Dixon	Heflin	Symms
Eagleton	Hollings	Zorinsky

So Mr. BYRD's amendment (No. 1500) was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I welcome the opportunity to speak on the MX missile issue.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Yes.

Mr. TOWER. How long will the Senator from Massachusetts speak?

Mr. KENNEDY. Probably about 15 minutes.

Mr. President, I share the view of many of my fellow Senators that the MX is a fateful decision for America to make. This is not just another weapons system. It is not just another

issue in the long line of complex defense issues we are dealing with in the legislation now before us. It is, instead, a radical departure from the theory of nuclear deterrence. As we cross the MX threshold, we are entering the brave new nuclear world of first-strike capability, and launch-under-attack policy.

We all know that advocates of MX once proposed a "racetrack" basing mode to transport the missile on railroad tracks built across large areas of the West. We rejected that foolish basing mode, and I believe we should reject the present effort to railroad the MX through the Senate.

This motion I have offered is designed to permit the MX debate to proceed fully and fairly in the Senate, without delaying in any way any other aspect of the defense authorization bill. The Senate should divide the bill into two parts, pass the rest of the bill today if it wishes, and continue to debate MX as separate legislation. It should be clear that those of us who feel strongly against MX are in no sense attempting to kill the rest of this legislation or hold it hostage to our position on MX.

The MX has been a dubious project since its inception, and the time is long overdue for the Senate to act finally and decisively, and put this missile out of its misery.

In recommending funding for the MX, the Armed Services Committee report argues that the MX is the only acceptable near-term solution available to redress the current imbalance in prompt hard-target kill capability. However, the committee report goes on to concede that the proposed MX deployment in existing Minuteman silos does not meet the established standard of missile survivability for an MX basing mode. Indeed, recent evidence from the Air Force indicates that by the time we deploy the MX in the late 1980's, Soviet improvements in missile accuracy will enable them to destroy 99 percent of our fixed-silo land-based missiles, including the MX. In other words, the Air Force feels that only one MX missile will survive a preemptive Soviet attack. Because of its extreme vulnerability, the MX as a deterrent is incapable of redressing any nuclear imbalances, real or perceived.

As its second justification for the MX, the committee report argues that the MX is the only significant near-term action which will induce the Soviets to negotiate in good faith at the bargaining table. However, since the MX is useless as a deterrent and its only utility is as a first-strike weapon, it is difficult to see how the MX will advance negotiations. Any additional first-strike capability by either side will only heighten mistrust, accelerate the nuclear arms race, and make arms control even harder to achieve.

I believe that the way to real arms reductions is through patient and committed negotiations, not through construction of new and more deadly weapons. Yet I realize that earlier this year many of my colleagues were willing to vote for release of funds for continued MX development, in exchange for the Reagan administration's pledge to show new flexibility and commitment to United States-Soviet arms control negotiations. A critical question in this debate, therefore, is whether the President has lived up to his half of the bargain.

Sadly, and despite the hope of many Senators, the answer to this question is a resounding "no." In START, the administration has revised its proposal to concentrate on limiting warheads instead of launchers; but the administration is still far from offering a negotiable proposal. The U.S. proposals accommodates American defense programs, while requiring heavy cutbacks in Soviet MIRV'd, land-based ICBM's; it is a highly unbalanced proposal that would allow the United States to build the MX and the Trident II, while requiring the Soviets to dismantle two-thirds of their biggest strategic missiles, the SS-18's and SS-19's.

The proposal also omits completely any restrictions or reductions in strategic bombers on air- and sea-launched missiles, two areas in which the United States has a decisive advantage. I agree with former U.S. SALT negotiator, Ambassador Raymond Garthoff, who calls the Reagan proposal a nonoffer. As Mr. Garthoff states:

> Proposing reductions that are acceptable to Moscow cannot, of course, take precedence over meeting American security interests. But designing proposals titled so far to American strategic advantage that they cannot be accepted by the other side gains us nothing, and only deprives us of the security benefits of negotiated arms control with balanced constraints.

In other arms control talks, the administation has an even poorer record. The administration has told us that it wants to renegotiate verification provisions of the 1974 Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty; yet it has steadfastly refused to state what provisions it wants changed, how they would change them, or even when they would be willing to begin negotiations.

Furthermore, the administration has regrettably abandoned the policy of every President since Eisenhower, by refusing to resume talks with the Soviet Union and the United Kingdom for a Comprehensive Test Ban Treaty. The administration has also failed to renew talks with the Soviets to limit antisatellite weapons, despite the fact that previous negotiations in 1978 and 1979 produced a voluntary agreement by the Soviet Union to halt the testing of its ASAT weapon. Finally, the administration has refused a Soviet request to review the implications of new antiballistic missile technology on the 1972 ABM Treaty. Instead of working to safeguard the provisions of this historic and important arms control agreement, the administration seems more interested in building "Star Wars" weapons which would violate the treaty.

A President truly committed to serious arms control does not ask for destabilizing first-strike weapons, while he refuses to offer negotiable proposals, or refuses to negotiate at all. The administration has not shown significant new flexibility in arms negotiations since the Senate released MX funds this spring, and it will not show new flexibility if we approve more MX funds now.

Some supporters of the MX have admitted that the MX itself makes no sense, but argue that we need it as a stepping stone to get to the new generation of small mobile missiles for the fture—the so-called Midgetman. I agree that Midgetman could lead both the Soviet Union and the United States to a more realistic nuclear balance by reducing reliance on destabilizing multiple warhead missile like the MX.

However, support for the senseless MX will not help us to obtain the sensible Midgetman. The Air Force has already expressed a strong preference for MX over Midgetman. As press reports make clear, the Air Force is not likely to be content with a mere 100 MX missiles; it has plans for building 100 more. The Air Force has also shown its reluctance on Midgetman by padding the small missile's cost, by pushing back the date of its initial operating capability, and by quietly expanding its size to the point where it may finally be too large to be mobile. Outside experts, such as Dr. Richard Garwin, have argued that the Midgetman could, with proper effort, become operational within months of the MX's date. In short, as long as we give the go-ahead to MX, Midgetman, will only be pushed further into the background. If we want Midgetman, then let us vote for Midgetman and put the expense and danger of MX behind us.

In addition, we should remember that simultaneous development of both the MX and the Midgetman will violate the terms of SALT II, which the United States and the Soviet Union have up to now agreed to respect. Under SALT II, we can each develop one new land-based ICBM. Let that new system be the one that the Scowcroft Commission admits makes the best long-term sense—Midgetman, not the MX.

The last time we debated the MX several months ago, the Senator from Colorado addressed the issue of whether, if we moved ahead on the MX and the Midgetman, we would, in

effect, be violating the SALT II Treaty.

I would like the Senator from Colorado to elaborate on this point, which has not been ventilated to the extent that it should be.

Mr. HART. Will the Senator yield briefly?

Mr. KENNEDY. Yes.

Mr. HART. The Senator is correct. That point was well made a few minutes ago by the Senator from Arkansas, Senator BUMPERS. He pointed out that the treaty provisions do put a limitation on both sides in terms of the number on both sides to be introduced. It is believed by most experts of the SALT Treaty process that there is a very serious contradiction between adopting all the recommendations of the Scowcroft Commission and abiding by the treaty. It is unclear to me, at least, what the official view of the administration is on abiding by the treaty, the President strongly having opposed its ratification. But I take it under advice from senior military and civilian officials, career people dedicated to arms control, that it is in our interest to abide by that treaty even though unratified.

So it is important, I think, for everybody to note, as the Senator from Massachusetts has said, that down the road, if there is some thought among Members of Congress that we can have it every different way and have it both ways on the treaty and on the Scowcroft Commission, that is probably just a basic contradiction.

That is very important.

Some people could care less about SALT II. As I say, I am not sure what the President's own position on it is. But for those who think it is a step in the right direction and at least a framework in which to develop further arms control, adopting this proposal flies right in the face of building on that arms limitation agreement.

Mr. KENNEDY. I know that the Senator from Colorado is also familiar with the Air Force studies which show that in the latter part of the 1980's, with the increased accuracy of Soviet missiles, the survivability of the MX will be marginal at best. There are some who believe that should there be an attack on those fixed silos, that perhaps only one or two of them might survive. That raises the whole question of whether the Congress will be asked at a later time to add billions of dollars for hardening MX missiles silos, or perhaps even to permit the renegotiation of the ABM treaty in order to protect those sites, which would further complicate the possibility for meaningful arms control.

Mr. HART. The Senator is correct on both points. The Air Force studies, and I think all other objective overviews of the issue of putting a new generation of ICBM's in fixed silos, indicate a very high rate of attrition from a first strike attack, down to as little as 5 percent survivability or even less. The literature surrounding the Scowcroft Commission, indeed surrounding all fixed installations for the MX, whether dense pack or widely spaced basing or whatever, strongly suggests the necessity for some defensive capability.

The Scowcroft Commission, itself, leaves open, and the administration's own literature on the subject leaves open the possibility of the need to invest in a very expensive, very costly, problematic and diplomatically thorny defense system, which was barely accepted in the old days and has over the years deteriorated because neither side really believed in it. It just does not make sense.

The Senator is absolutely correct to bring up at this stage in the debate the implication that we are not just buying one system here but we are buying two, both of which are extremely expensive, both of which to a degree are destabilizing, and neither of which, in the age of the eighties and nineties, makes a lot of sense.

Mr. KENNEDY. I thank the Senator for his comments.

Mr. President, the MX is a missile without a mission, and a weapon without a home. Incredibly, the Air Force gave serious consideration to 30 different basing modes for the MX before throwing in the towel and recommending that these new missiles be placed in existing Minuteman silos.

These 30 basing modes show the ingenuity and imagination of our scientific community; but they also demonstrate that after years of study, no one yet knows what to do with this missile.

Here are just some of the alternative basing modes that have failed to pass muster in recent years:

Orbital basing: This would have launched missiles into orbit in time of tension or on warning of attack, and deorbit them later—either to attack the Soviet Union or to return harmlessly to the United States. Not only would this idea violate the Outer Space Treaty, but a false alarm could force us to launch our missile force into orbit and thereby heighten tensions in a crisis.

Shallow underwater missile (SUM): The idea was to attach MX missiles to small submarines that would patrol the U.S. coast. The flaw was that such a system would have been subject to a pindown attack by Soviet ICBM's.

Hydra was a fleet of waterproof MX's that would float aimlessly and unattended in the ocean until they were commanded to launch. Orca was a scheme to anchor MX's on the seabed.

All sorts of ships were considered, either on barges roaming the inland and coastal waterways of the United States, or in international waters on special vessels that would move randomly on the open sea.

Aircraft were considered, too: Amphibious planes that would sit on the sea for long periods of time; widebodied jets that would fly continuously; short-takeoff-and-landing or vertical-takeoff-and-landing planes—even dirigibles that would drift in the wind.

Then, stationary land-based schemes were studied: Hard-rock silos, hard tunnels, southside basing in mesas or mountains of the desert Southwest—all were examined and rejected.

Next came the road and rail systems. The Air Force studied commercial railroads and so-called dedicated rail systems. Our strategic planners studied off-road mobile concepts, ground-effect machines, road-mobile, covered-trench, hybrid-trench, mobile front-end systems. They even looked at basing the MX in pools of opaque water. Finally, they proposed "racetrack," a rail mode known as the multiple protective shelter (MPS) system—but it was immediately ridiculed as "mass transit for missiles" and finally collapsed because of its impracticality, its expense, and the extraordinary grassroots opposition to it.

Finally, there was Dense Pack. The Reagan administration had barely escaped from racetrack when it impaled itself on a scheme to put all the MX missiles in a narrow strip of land on a western military reservation, in reliance on the bizarre, untested and incredible idea that exploding Soviet missiles would destroy each other before they could destroy MX. As we all know, dense pack became dunce pack, and has not been heard from since.

In effect, we have gone to the well 30 times and come up empty on each occasion. The decision to place MX missiles in the old Minuteman silos is a confession of defeat, and every Member of the Senate knows it. Usually, it is three strikes and you are out—surely, MX should be out after 30 swings and misses by the Air Force.

Finally, some have argued that we should vote for MX, regardless of its strategic utility, to demonstrate our "national will." But when we put expressions of vague "national resolve" above commonsense in an area as vitally important as the nuclear arms race, then we truly are heading for catastrophe. Let us build national will; but let us build it behind the right weapons systems and the right causes.

The MX is a dangerous and expensive first strike weapon that will weaken deterrence and fuel the nuclear arms race, instead of advancing the cause of arms control. The MX makes no strategic sense whatever. The MX will not suddenly spur the Reagan administration to more flexible negotiating positions, nor will it lead to the eventual construction of Midgetman. I

call upon the Senate to end the MX nightmare once and for all, and return to the path of sensible strategic weapons policy and serious arms control negotiations.

Mr. President, I later intend to propose an amendment to separate out the MX missile from the rest of the DOD authorization bill.

I share the concerns of those who feel that we have not had the chance to have a meaningful floor debate on the MX issue. At the same time I believe that we should not hold up the rest of the DOD Authorization Bill to debate the MX.

Mr. TOWER. Mr. President, I think the Senator from Rhode Island has been waiting patiently to offer his amendment.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

AMENDMENT NO. 1501

(Purpose: To delete the provision relating to the use of polygraphs by the Department of Defense)

Mr. CHAFEE. Mr. President, I thank the Senator from Texas. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE), for himself and Mr. LEAHY, proposes an amendment numbered 1501.

Mr. CHAFEE. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 131, beginning with line 8, strike out all down through line 16 on page 133, and substitute in lieu thereof the following:

SEC. 1007. (a) The Secretary of Defense may not, before April 15, 1984, use, enforce, issue, implement, or otherwise rely on any rule, regulation, directive, policy, decision, or order that would permit the use of polygraph examinations in the case of civilian employees of the Department of Defense or members of the Armed Forces in any manner or to any extent greater than was permitted under rules, regulations, directives, policies, decisions, or orders of the Department of Defense in effect on August 5, 1982.

(b) The restrictions prescribed in subsection (a) with respect to the use of polygraph examinations in the Department of Defense shall not apply to the National Security Agency of the Department of Defense.

(c) Prior to April 15, 1984, the Senate Select Committee on Intelligence and the Committee on Armed Services shall hold hearings on the use of polygraphs in the Department of Defense.

Mr. CHAFEE. Mr. President, this amendment, which I offer on behalf of myself and Senator LEAHY amends section 1007 of S. 675—the Omnibus Defense Authorization Act of 1984. This section deals with the use of polygraph examinations in the Department of Defense. Some of my colleagues and I felt that the original language in this section was not given adequate consideration. There were no hearings by any of the appropriate committees. Not the Intelligence Committee nor Judiciary nor Armed Services.

Mr. President, during the last 3 days, Senators LEAHY, JACKSON, MOYNIHAN, KENNEDY, BINGAMAN, and I have met. We have reached a compromise that will protect classified information at the Department of Defense while at the same time protecting the rights of individuals.

What this amendment seeks to achieve is to place a moratorium on the implementation of the so-called Carlucci guidelines, which were issued August 6, 1982, and become effective August 15, 1982. This moratorium, however, does have a sunset provision wherein these guidelines may be implemented after April 15, 1984, should legislation not be passed precluding further implementation of these guidelines.

The purpose of this moratorium is to allow for hearings looking into implementation of guidelines presently being drafted, and to insure that there will be no abuse of this security tool.

These hearings will help all of us understand a bit more about polygraphs. The CIA feels that the polygraph has been a tool of unique utility in counterintelligence. NSA supports their use. But lately there has been a lot of confusion about the new procedures, specifically what types of polygraph examinations are given and under what circumstances. We need to know these and other facts before considering any legislation.

Certainly, our committee should learn what kind of unauthorized disclosures of classified information necessitate expanded use of polygraph examinations at the Department of Defense, if in fact there is an expanded use. We should know how many unauthorized disclosures there are and the nature and extent of the damage to our national security. And we should also find out the views of not only the Department of Defense, but also NSA and CIA, who have great experience with polygraphs, regarding their accuracy and reliability.

Finally, this compromise language exempts the National Security Agency of the Department of Defense from any restrictions prescribed in subsection (a) of this compromise amendment.

Mr. President, Senator LEAHY, who serves with me on the Intelligence Committee, shares my concern about section 1007 of S. 675, although for somewhat different reasons. I am happy to say that he has joined me in offering this amendment to section 1007 of S. 675. I feel that the Chafee/Leahy compromise language solves many of the problems we have had with this section as reported, and it gives the Senate an opportunity to address this important issue.

We believe that this is a reasonable compromise, and we are pleased to offer it.

Mr. President, this amendment arises because of the so-called Carlucci orders which were issued in August of last year and which became effective this August. Under the amendment which I have presented, there is a moratorium on the Carlucci order going into effect any time before April 15 of next year. Meanwhile, the amendment provides that there will be time for the Armed Services Committee and the Intelligence Committee of the Senate to conduct hearings on the matter of the polygraph examinations.

I want to say that this amendment is the result of compromise, the result of very helpful discussions which Senators LEAHY, JACKSON, MOYNIHAN, KENNEDY, BINGAMAN, and I have had. We have reached this point after giving due consideration to the security needs of the country, at the same time balancing them against the protection of the rights of individuals.

Mr. President, this legislation does not apply in any way to the National Security Agency. They can proceed under the Carlucci or any other orders they wish. There is no moratorium applied to them.

I think this is a good compromise and I assure those present, to the extent that I have anything to do with it and the Intelligence Committee, that we will conduct hearings as soon as reasonably possible on the use of the polygraph examinations.

Mr. MOYNIHAN. Mr. President, I join with the Senator from Rhode Island in supporting this measure and ask to be made a cosponsor.

Mr. CHAFEE. I thank the Senator and I ask unanimous consent that that be permitted, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, first as vice chairman of the Select Committee on Intelligence, I wish to affirm the intention of the committee—Senators CHAFEE, LEAHY, JACKSON, and I have discussed it—to hold the hearings that will be required on our part. I am sure the distinguished chairman of the Committee on Armed Services will do the same.

I make the point, and I think it is important to state, that the Senator from Washington is concerned about the extent of the Carlucci order and subsequent directives and proposals and the fact that the Congress was not in any way involved in formulating them led to his amendment. The second thing I wish to point out, just to be especially clear to those to whom it might be of interest, is that the National Security Agency is exempted

from the moratorium and that concerns that might have arisen on that score are addressed in this matter and it seems to us a good resolution. It means work to be done, but it is the proper work of the Congress.

I thank the Chair.

Mr. JACKSON. Mr. President, I shall be very brief.

Mr. President, this amendment concerns the provisions, adopted by the committee at my suggestion, dealing with use of polygraph examinations in the Department of Defense (DOD). DOD has made limited use of such exams for a number of years, and the provision reported by the committee would not prohibit that use. Certainly, the purpose of this provision was not to hamper the ability of DOD to protect our national security information. I would be the last person to endorse such a measure. But the committee provision does reflect concern about a trend developing in DOD—and in the society at large—that could result in overreliance on a machine and process which is recognized as inherently unreliable and of limited utility.

This trend can best be seen by briefly reviewing the recent historical evolution of polygraph regulations and directives in the Department of Defense.

Since at least 1965, polygraph use in the Department of Defense has been governed by a separate DOD directive. (DOD Directive 5210.48.) The current version's basic date is October 6, 1975, with an amendment dated January 14, 1977. Key principles embodied in that directive include: First, that "the polygraph shall be employed only as an aid to support other investigative techniques;" second, that a polygraph could not be conducted "unless the person * * * voluntarily consents in writing," third, that "adverse action shall not be taken against a person for refusal to take a polygraph examination;" and fourth, that "any final administrative or judicial determinations * * * shall not be based solely on the results of * * * the polygraph." These principles applied throughout the Department of Defense, even, Mr. President, at the National Security Agency (NSA), where they were embodied in that agency's own polygraph directives. (NSA/CSS Reg. No. 122-3, July 26, 1977.)

Now, Mr. President, those principles remained in place until August of last year when an erosion process began to develop. First, on August 6, 1982, the then Deputy Secretary of Defense authorized procedures within DOD which specifically diluted the protection heretofore afforded individuals who refused to take polygraph exams. By memorandum he promulgated procedures that permit denying incumbent DOD employees—military and civilian—access to certain classified information solely for declining to submit to a polygraph exam. This would not be an exam conducted because of any suspicion about an individual. These exams were to be part of a program to aperiodically recertify the trustworthiness of these DOD employees. This fundamental change—affecting a substantial number of people—was made quietly without, to the best of my knowledge, even any notice to the Congress.

Second, during the fall and winter of 1982-83 the Department was considering possible changes to its polygraph directive which would expand polygraph use. Under the changes, mandatory polygraphs could be used as a precondition to access to certain sensitive information or as a precondition to certain assignments. And as provided for by the August 6, 1982, memorandum, polygraphs could be used as part of an aperiodic security reinvestigation program for certain individuals, with access to sensitive information able to be cut off solely for refusal to take the polygraph. According to the Assistant Secretary of Defense (Public Affairs) the proposed directive changes would result in "a quadrupling of the (current) testing, and will involve almost 60,000 people." Initial drafts of the new directive also reportedly made other changes to polygraph procedures. Two subcommittees in the House commented extensively on these drafts and the proposal is now being recoordinated in DOD.

Third, on March 11, 1983, the White House issued National Security Decision Directive (NSDD) No. 84. That NSDD, which applies to all executive branch agencies which originate or handle classified information, requires DOD internal procedures that permit mandatory polygraph exams during leak investigations. These procedures must permit "appropriate adverse consequences" following an employee's refusal to take an exam. The meaning of "appropriate adverse consequences" was left open, presumably to the discretion of the heads of executive agencies. This NSDD has not yet been reflected in DOD directives, except by NSA.

Now, Mr. President, that is the history of these regulations that brought me to offer this provision in the committee. Of course, we must make every effort to protect our national security information from individuals who would deal with it cavalierly, or consciously reveal it in violation of law and regulations. But for a number of reasons better protection of our national security information cannot be automatically equated, in my judgment, with greater reliance on the polygraph in DOD. These reasons counsel careful study before going forward with such expanded reliance.

First, the polygraph is recognized as an inherently unreliable instrument; its results are not admissible in the Federal and most State courts. In one study, nearly 50 percent of the truthful individuals were erroneously classified as deceptive. Assuming even the most optimistic accuracy figures for polygraph examinations—90 to 95 percent—countless truthful individuals could be unjustly affected by expanded use of the polygraph in DOD.

Second, wider use of this unreliable instrument, especially its application to military personnel ordered to billets covered by polygraph prescreening requirements, or subjected to it by a politically generated leak investigation, could destroy any number of careers, as well as the general morale of these and other Government employees. Some DOD officials may believe that revocation of access to certain sensitive classified information for failure of or refusal to take a polygraph really is not an "adverse action." That seems to be a rather narrow view of the impact that such an action can have on an individual's career, especially in the national security area.

Third, even executive branch proponents of greater use of the polygraph recognize these limitations. However, they appear to value its intimidation effect. The report which is the basis for NSDD No. 84 concludes that "the polygraph can be an effective tool in eliciting confessions." This seems little more than a paraphrase of the comments attributable to President Nixon, who reportedly said:

> Listen, I don't know anything about polygraphs, and I don't know how accurate they are, but I do know that they'll scare the hell out of people.

Fourth, especially under the leak investigation procedures, there is a clear potential for abuse of the polygraph. For example, it is not clear that junior military officers or DOD employees caught up in a leak investigation would be treated the same as high-level officials, both in terms of the requirement to submit to a polygraph exam and the manner in which the exam is conducted.

Now, Mr. President, since the committee reported this provision several of my colleagues have expressed concern about its potential impact on certain personnel security programs in effect in the National Security Agency. Concern also was expressed about the permanent effect of at least a portion of the provision. After considering them, I have decided to accommodate these concerns. Therefore, I agree with this amendment—which is the result of the work of Senators MOYNIHAN, KENNEDY, CHAFEE, BINGAMAN, and LEAHY—to the committee provision; the key provisions of the amendment would do the following:

It would freeze the terms of DOD polygraph regulations to those in effect on August 5, 1982—that is, before the August 6, 1982, memorandum procedures and NSDD No. 84.

This freeze would remain in effect until April 15, 1984.

The National Security Agency would be exempt from this freeze.

The Armed Services Committee and Intelligence Committee of the Senate would be required to hold hearings on the subject of polygraph use in the Department of Defense prior to April 15, 1984.

This framework was essentially the suggestion of the distinguished vice chairman of the Senate Select Committee on Intelligence, Senator MOYNIHAN. The distinguished Senators from Rhode Island and Vermont from the SSCI joined in this proposal with the senior Senator from Massachusetts and the junior Senator from New Mexico. I believe it retains the essential principle of the committee reported provision—to preserve the status quo on certain key DOD policies with respect to polygraph use—while giving special recognition to the case of the National Security Agency. The compromise will give the appropriate committees the time to further review the implications of greater polygraph use in their respective jurisdictions. More specifically, the Armed Services Committee can review polygraph use in the Department of Defense overall, and the Intelligence Committee can focus on the implications for the intelligence aspects of the Department.

Now, Mr. President, to prepare effectively for the hearings required by the amendment, it will be important to have certain categories of information in hand in a timely fashion. One category of information would concern the following:

First, unauthorized disclosures of classified information that necessitate expanded use of polygraph examinations in the Department of Defense, second, the nature and extent of such unauthorized disclosures, and third, the nature and extent of the damage to the national security that has resulted from the unauthorized disclosures, including specific examples of the damage and the manner in which the damage was determined and measured. A second important category of information would focus on the position of the Department of Defense regarding the accuracy and reliability of polygraph examinations, including:

First, a description of specific studies—including statistical analyses based on such studies—conducted by or for the Department of Defense, or relied upon by the Department, to support the Department's position on the accuracy and reliability of polygraph examinations; and

Second, the Secretary's analysis and explanation of how any potential damage to innocent persons erroneously identified by polygraph examinations as having given false responses or information during the course of polygraph examinations is offset by the potential benefits to the United States of expanded use of polygraph examinations.

Mr. President, I believe my distinguished colleague from Rhode Island agrees with me that these would be important categories of information for purposes of these hearings. I, for one, would expect the Department of Defense to cooperate fully and in timely fashion with any formal or informal requests from the committees or individual Members for such information. I would hope that Chairman TOWER would agree to a joint letter formally asking Secretary Weinberger for information such as that discussed above on behalf of the Armed Services Committee. This information will be invaluable and essential for use in the hearings which each committee will have on this issue; we will need it to judge whether the use of the polygraph examination should be expanded in the Department of Defense; and, if so, just how such an expansion should be put into effect.

In summary, Mr. President, this proposal is a reasonable compromise which preserves the essence of the committee's position—for a fixed period—and will give the Congress the opportunity to exercise its oversight responsibilities on this very important question.

● Mr. HUDDLESTON. Mr. President, leaks and other unauthorized disclosures of classified information are a continuing problem for our Government, and especially for the intelligence community. I have expressed concern for some time about the selective leaking of classified information to promote particular policies. This practice risks serious erosion of the credibility of our national security structure, frequently for the sake of immediate political advantage.

This problem has existed under administrations of both parties. However, it has taken on a new and more serious character with the issuance of a recent Presidential directive ordering the expanded use of polygraphs in investigations of unauthorized disclosures of classified information.

Last year the Defense Department drafted new regulations that would have expanded polygraphing in the Defense Department beyond the restrictions imposed by a 1975 directive that limited use of lie detectors to "serious criminal cases, national security investigations, and highly sensitive national security access cases." The scope of the proposed change is not entirely clear, and no hearings have been held in the Senate on the issue.

The Defense Department has a legitimate concern about some narrow counterintelligence and security requirements that do not involve news leaks. There are, as the 1975 directive recognizes, special circumstances that involve access to highly sensitive national security information. This is especially true in the intelligence area.

These limited objectives are far different from the apparent purposes of the Presidential directive of March 11, 1983, which seems to go far beyond the Defense Department's proposal. There is a real danger that the Presidential directive could encourage the wider use of polygraphs in cases of news leaks on a selective basis, depending on whether the leak favored or opposed the administration's policy interests.

These issues require much greater attention by the appropriate committees of the Senate. The Intelligence Committee, for example, has been looking into the counterintelligence and security considerations that might justify some modification in established polygraph policies. The Intelligence Committee has also monitored the performance of the executive branch with respect to unauthorized disclosure of classified intelligence information, especially in cases of compromise of sources and methods.

Before the Congress enacts permanent legislative standards and restrictions for use of the polygraph in circumstances affecting intelligence and counterintelligence activities, the Intelligence Committee should take an indepth look at the facts. I hope the Senate's consideration of section 1007 of the Defense Authorization Act will result in more serious attention by the Intelligence Committee and other appropriate Senate committees to the full range of issues in this area.●

Mr. THURMOND. Mr. President, I rise in support of this amendment offered to S. 675. The language presently in the bill is strongly opposed by the Department of Defense and the intelligence community who were not consulted in preparation of this language.

The use of polygraph examinations is a controversial issue. What is at stake here, however, is restrictions concerning access to very sensitive compartmented information.

The language presently in the bill sets a precedent which in essence empowers military personnel to have access to highly classified information, regardless of the results of, or the refusal to take a polygraph examination. The Department of Defense is developing new guidelines and policies with respect to polygraph examinations. To legislate now would preempt orderly policy development.

Mr. President, I must reiterate the strong opposition of the intelligence community and the Department of Defense to the present language. The amendment being offered, however, has the support of the intelligence community and the Department of Defense. I strongly urge my colleagues to support this amendment. The

Armed Services Committee and the Intelligence Committee will conduct thorough hearings on the use of polygraph examinations within the near future.

● Mr. KENNEDY. Mr. President, I want to commend my colleague, Senator JACKSON, for his leadership on this important issue, and the efforts of Senators CHAFEE, LEAHY, MOYNIHAN, BINGAMAN and the chairman of the Armed Services Committee, Senator TOWER, which brought about this agreement. The regulations in question were adopted by the administration without consultation with Congress, and could have a significant impact on the lives of millions of members of the Armed Forces as well as civilians. I believe it is essential that Congress have an opportunity to review the administration's proposals carefully, and hope that the administration will cooperate by providing all the information necessary to assure an informed decision by Congress.●

Mr. TOWER. Mr. President, there has been satisfactory work by both parties. On behalf of the majority side, I am prepared to accept the amendment.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. I take just one moment as a cosponsor of this amendment to commend the senior Senator from Washington, the Senator from Rhode Island, and the Senator from New York (Mr. MOYNIHAN), Senator KENNEDY, Senator BINGAMAN, and others who have worked on this issue. I think it is an extremely important one.

I hope that all will understand that by this amendment, which will probably be accepted, we are saying that the Armed Services Committee and the Select Committee on Intelligence will hold detailed and intensive hearings on this issue. Otherwise, I am afraid it is a matter that is going to be dealt with by Executive order and not necessarily in the way that Members of Congress would wish.

This is an area in which we are all agreed. I commend my good friend from Rhode Island (Mr. CHAFEE) for his work on this. I intend to work closely with him and with the distinguished vice chairman (Mr. MOYNIHAN). I know my colleagues on the Armed Services Committee will.

The sooner we are able to do that, the better. The sooner we are able to bring out specific legislation explaining to the Congress the use of polygraph, the better.

I yield back the floor.

Mr. CHAFEE. Mr. President, I thank the distinguished senior Senator from Washington and each of the Senators who worked with us, Senator MOYNIHAN, Senator LEAHY, of course, a cosponsor of this amendment, Senator KENNEDY, and Senator BINGAMAN, and express my appreciation to the chairman of the Armed Services Committee for giving us the lead in this particular matter and trying to arrive at a reasonable conclusion.

If there is nothing further, Mr. President, I move passage of the amendment.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1501) was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I move to lay that motion on the table. The motion to lay on the table was agreed to.

AMENDMENT NO. 1503

(Purpose: To terminate the MX program)

Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I send an amendment to the desk and ask the clerk to report.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas (Mr. TOWER) proposes an amendment numbered 1503:

At the appropriate place in the bill, insert the following:

SEC. . Notwithstanding any other provision of this Act, no funds authorized to be appropriated in this Act shall be obligated or expended for the research, development, test, evaluation, procurement, or deployment of the MX missile.

Mr. TOWER. Mr. President, I submit an amendment that I am obviously not in sympathy with. I am resorting to a procedure for which there is ample precedent to get a matter before the Senate that many Senators are eager to vote on. I think this will give us some idea as to what the disposition of the Senate is on the issue of whether or not the MX should be produced and deployed.

That is all that a vote on this amendment would reveal, because I know that there are varying opinions or shades of agreement and disagreement on the matter of MX and what alternative systems we should go to other than MX.

But I offer this amendment so that the Senate might have the opportunity to express itself.

Mr. President, it has been said by one of the speakers here today that the MX is useless as a deterrent.

That is a rather amazing statement. To say that the MX is useless as a deterrent is to say that our entire land-based system is useless, because the MX is a more modern system, a more accurate and more lethal system than the Minuteman III, which is our most modern deployed missile.

By producing and deploying some MX's, we hold the option of deploying still more. This gives us, I think, substantial bargaining leverage—I do not say bargaining chip. I say leverage. I should use the term "negotiating leverage"—in trying to arrive at agreement that will result in the reduction of the inventories of these destabilizing weapons in the arsenals of the United States and the Soviet Union.

I think everybody in this Chamber agrees that that is a desirable objective. I believe that that objective can best be achieved by effecting modernization of our land-based system regardless of that fact that that modernization may not go as far as we would like it to go in terms of survivability. Certainly it gives us a better weapon and the opportunity to consider survivability options down the pike. It could be hardening. It could be closely spaced basing. It could be even an MPS system. But the fact is it does give us options; it does give us bargaining leverage. The administration is absolutely convinced that we must have this as bargaining leverage or our strategic arms reduction negotiation will have very dismal prospects of success indeed.

This is a matter of great convention with our negotiator, General Rowney, who has had long experience negotiating with the Soviet Union, who speaks Russian fluently and who understands the situation, who understands that the Soviets do not regard arms negotiations as seminars in political stability but as tough trading sessions and you must bring something to the table before you have any possible prospects of success. I believe that this system is vital and essential.

Mr. President, at this point I move to table my amendment, and I ask for the yeas and nays.

Mr. HART addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HART and Mr. TOWER addressed the Chair.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. HART addressed the Chair.

Mr. BYRD. Unless the Senator is recognized, he may want to make a unanimous-consent request.

Mr. HART. Mr. President, the Senator from Colorado is seeking recognition.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

CALL OF THE ROLL

Mr. HART. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HART. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 10 Leg.]

Abdnor	Hart	Pryor
Baker	Hawkins	Randolph
Bentsen	Helms	Sarbanes
Bingaman	Inouye	Specter
Byrd	Jackson	Stennis
D'Amato	Jepsen	Tower
East	Matsunaga	Wilson
Exon	Moynihan	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of absent Senators.

The legislative clerk resumed the call of the roll, and the following Senators entered the Chamber and answered to their names:

Dodd	Garn	Mattingly
Durenberger	Long	

The PRESIDING OFFICER. A quorum is not present.

Mr. HART. Mr. President, I move that the Sergeant at Arms be instructed to compel the attendance of absent Senators.

Mr. BAKER. Mr. President, will the Senator withhold that motion? If he wants the motion I will make the motion. But I would appreciate it if he would extend the traditional leadership courtesy in this case.

Mr. HART. Mr. President, if the majority leader will yield for one point, the traditional courtesy in the Senate is when Senators are able to call up their own amendments, particularly when those amendments are serious. The traditional courtesy of the Senate has been violated already.

I do not enjoy this. But it has been brought upon by the floor leader of this bill.

There are 12 Senators who wish to speak on this amendment who have not had a chance to speak. There has been no dilatory tactic used on this bill yet by this Senator or anyone opposing the MX.

I yield back to the majority leader.

Mr. BAKER. Mr. President, I can remember when other circumstances prevailed and another majority leader at another time with my assistance called up amendments one after another measuring into the hundreds, and there is simply adequate precedent for what has happened here.

Mr. President, I now move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee to instruct the Sergeant at Arms to request the attendance of absent Senators. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. HEINZ), the Senator from New Hampshire (Mr. HUMPHREY), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Missouri (Mr. EAGLETON), the Senator from Ohio (Mr. GLENN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

The PRESIDING OFFICER. Is there any other Senator in the Chamber who desires to vote?

The result was announced—yeas 81, nays 3, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—81

Abdnor	Gorton	Mitchell
Baker	Grassley	Moynihan
Baucus	Hart	Murkowski
Bentsen	Hatch	Nickles
Biden	Hatfield	Nunn
Bingaman	Hawkins	Packwood
Boren	Hecht	Pell
Boschwitz	Helms	Pressler
Bradley	Huddleston	Pryor
Bumpers	Inouye	Randolph
Burdick	Jackson	Riegle
Byrd	Jepsen	Roth
Chafee	Johnston	Rudman
Chiles	Kassebaum	Sarbanes
Cochran	Kasten	Sasser
Cohen	Lautenberg	Simpson
D'Amato	Laxalt	Specter
Danforth	Leahy	Stafford
DeConcini	Levin	Stennis
Denton	Long	Stevens
Dodd	Lugar	Thurmond
Dole	Mathias	Tower
Domenici	Matsunaga	Trible
East	Mattingly	Tsongas
Exon	McClure	Wallop
Ford	Melcher	Warner
Garn	Metzenbaum	Wilson

NAYS—3

Proxmire	Quayle	Weicker

NOT VOTING—16

Andrews	Glenn	Kennedy
Armstrong	Goldwater	Percy
Cranston	Heflin	Symms
Dixon	Heinz	Zorinsky
Durenberger	Hollings	
Eagleton	Humphrey	

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I ask unanimous consent that the minority leader may speak for 1 minute and I may speak for 1 minute before the vote on the tabling motion occurs.

The PRESIDING OFFICER. Is there objection?

Mr. HART. Reserving the right to object. Does the acceptance of this consent request preclude other motions before that?

Mr. BAKER. No; the request is just what the request states; that is, there would be no time for debate, absent unanimous consent. I am asking for 1 minute for the minority leader and 1 minute for me. After that, in the ordinary course of events, the vote will occur on the tabling motion.

Mr. BYRD. The answer is it does not preclude certain other motions.

Mr. HART. I thank the minority leader.

Mr. BAKER. Mr. President, I withdraw the request just for 1 second.

Mr. President, I withdraw the request.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute and that the majority leader may proceed for 1 minute without it being recognized as transaction of business for the purpose of calling another quorum.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, the distinguished majority leader made reference a moment ago to occasions when another majority leader called up amendments by other Senators and, supported by the then minority leader, proceeded to have them ruled out of order.

There was a distinction in the circumstances, may I say to my friend. I have never called up another Senator's amendment, to my recollection, prior to a cloture vote. On that occasion, cloture was invoked on the natural gas deregulation bill on Monday, September 26, 1977, and I started calling up the amendments of other Senators the following Monday—1 week later—October 3. I thought that the RECORD should show this distinction in the circumstances.

Mr. BAKER. Mr. President, I have no dispute with the minority leader on that point. Indeed, the one I had in mind at the time was a postcloture situation in which the two of us, utilizing our priority of recognition rights as leaders, called up amendments one

after the other in an attempt to end a filibuster, a postcloture filibuster.

Mr. President, however, I suggest, and I believe the minority leader perhaps will agree with me, that the rules of the Senate do not make any requirement whatever as to what Senator can call up any amendment that is at the desk.

Mr. BYRD. Mr. President, the majority leader is correct. I think there are two or three other things that should be said here. I hope we may have an extension of time by a couple of minutes under the same conditions as before.

First, Mr. TOWER did not call up the Hart amendment. It may be very similar, but it is an amendment by Mr. TOWER. In the second place, Mr. HART has not held up the Senate or unduly delayed the business, to my knowledge. In the third place, the majority leader is referring to exactly the same situation as I referred to when I spoke a moment ago. It was on the natural gas deregulation bill in 1977, and it was 1 week after cloture was invoked before I took the drastic action of calling up amendments of other Senators.

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, I move that the Senate stand in recess until the hour of 7:30 p.m. and ask for the yeas and nays.

Mr. BAKER. Mr. President, I move to table the motion and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

A motion to table, I am advised, is not in order.

Mr. BAKER. Mr. President, were the yeas and nays asked for to—was it to recess or adjourn until 7:30?

Mr. HART. Yes, they were.

The PRESIDING OFFICER. Is there a sufficient second on the motion to recess? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado (Mr. HART). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New Hampshire (Mr. HUMPHREY), the Senator from Illinois (Mr. PERCY), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. DIXON), the Senator from Missouri (Mr. EAGLETON), the Senator from Ohio (Mr. GLENN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nebraska (Mr. ZORINSKY) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 5, nays 81, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—5

Baucus	Hart	Proxmire
DeConcini	Moynihan	

NAYS—81

Abdnor	Grassley	Murkowski
Baker	Hatch	Nickles
Bentsen	Hatfield	Nunn
Biden	Hawkins	Packwood
Bingaman	Hecht	Pell
Boren	Heinz	Pressler
Boschwitz	Helms	Pryor
Bradley	Huddleston	Quayle
Bumpers	Inouye	Randolph
Burdick	Jackson	Riegle
Byrd	Jepsen	Roth
Chafee	Johnston	Rudman
Chiles	Kassebaum	Sarbanes
Cochran	Kasten	Sasser
Cohen	Lautenberg	Simpson
D'Amato	Laxalt	Specter
Danforth	Leahy	Stafford
Denton	Levin	Stennis
Dodd	Long	Stevens
Dole	Lugar	Thurmond
Domenici	Mathias	Tower
Durenberger	Matsunaga	Trible
East	Mattingly	Tsongas
Exon	McClure	Wallop
Ford	Melcher	Warner
Garn	Metzenbaum	Weicker
Gorton	Mitchell	Wilson

NOT VOTING—14

Andrews	Glenn	Kennedy
Armstrong	Goldwater	Percy
Cranston	Heflin	Symms
Dixon	Hollings	Zorinsky
Eagleton	Humphrey	

So the motion was rejected.

PROGRAM

Mr. BAKER. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, some time ago, I announced that we would try to go out tonight about 6 o'clock, come in tomorrow at 10 o'clock, and go till about 5 o'clock. I am sure that the warring factions in this controversy would like to continue. Believe me, under the rules, both sides could continue into the night. But I think the better part of discretion is to recognize that the battle lines are drawn, that we will all be here and fresh in the morning, that there will be an ample opportunity for people to express their views through a rollcall vote on the tabling motion, presumably, and that we ought to do that tomorrow.

What that means, however, and Senators should pay special heed to this, is that there is going to be a vote suddenly in the morning as soon as the two leaders are recognized under the standing order and after the expiration of any time that may be allocated for the transaction of routine morning business if such is the case. Then the pending bill would be back before the Senate and the pending question would be the tabling motion.

Mr. President, no Senator is giving up his rights, no Senator will be in any different, better, or worse position, and I will be more nearly an honest man for having tried to get us out of here at 6 o'clock.

Mr. BYRD. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. BYRD. If further time is required, I ask unanimous consent that the majority leader may proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Will the leader explain to all who are here just what will occur tomorrow?

Mr. BAKER. Yes, Mr. President. In the morning, the Senate will convene at 10 o'clock under the order previously entered. After the Senate has convened and after the Chaplain's prayer, under the standing order, the two leaders will be recognized for not more than 2 minutes each.

Ordinarily and routinely, there is a brief time then for the transaction of routine morning business in the absence of special orders. The time for that varies from time to time. I shall not make an effort to provide that tonight. I shall consult with the minority leader in the morning and we shall decide what, if any, morning business ought to be suggested for the Senate.

As soon as the time, if time is provided for morning business, has expired, the Chair will once more lay before the Senate the defense authorization bill.

At that time, Mr. President, the pending question will be the motion to table the Tower amendment. That will be the situation.

Mr. SARBANES. Will the majority leader yield for a question?

Mr. BYRD. Will he yield once again?

Mr. BAKER. Yes.

Mr. BYRD. If the Senator from Maryland will allow me, Mr. President, as the matter now stands, there is no provision for morning business in the morning.

Mr. BAKER. Right.

Mr. BYRD. Therefore, the pending question before the Senate could be presented by the Chair as early as 21 or 22 minutes after 10 o'clock.

Mr. BAKER. The Senator is correct. Senators should take notice of the fact that it could be even earlier than that if the two leaders do not use the full time allocated them under the standing order.

Mr. SARBANES. Mr. President, will the pending question then be the Tower motion to table the Tower amendment?

Mr. BAKER. Mr. President, it will.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, in view of this discussion, I now move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10 a.m. tomorrow morning.

The motion was agreed to and, at 6:47 p.m., the Senate recessed until tomorrow, Saturday, July 16, 1983, at 10 a.m.